JASCO
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UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

REVENUE	OPERATING PROFIT	EPS	GEARING
▲7%	▼1%	▼68%	improved
to R557,2m	to R29,9m	to 2cps	to 30%

INTRODUCTION

OPERATIONAL PERFORMANCE

Although the results for the six months to December 2017 were weaker than the comparative period to December 2016, the group met its market commitment of improving its operational performance compared to the preceding six months ended June 2017. This was due to a particular focus on maintaining margins and volumes against continued tough market conditions.

The main contributors to the results were:

- The Carrier business – representing 32% of group revenue – was slightly down at the revenue level as the major telecommunications operators continued to cut costs. It remains the biggest profit contributor to the group, with operating profit performance up marginally.
- Enterprise – representing 37% of group revenue – made good progress in improving its profitability with Communications and Security reversing the prior loss position to a breakeven for the first half, and the recently-acquired Reflex Solutions making a strong top- and bottom-line contribution for a full six-month period.
- Intelligent Technologies – representing 12% of group revenue – delivered a disappointing performance, with a drop in revenue and operating profit. This was mainly in the energy sector due to difficult market conditions.
- Electrical Manufacturers – representing 19% of group revenue – delivered steady top-line growth mainly due to its diversification strategy. New customers added to volumes and led to a pleasing operating profit growth.
- The start-up International businesses: The business in Kenya did not deliver on volume expectations due to the socio-political situation, which resulted in curtailed customer demand in 2017. These results continue to be included in Enterprise for this reporting period and are comparable to the prior period. The business in the Middle East did not gain the traction expected in the last six months due to the group declining to accept three new projects due to commercial terms not being acceptable. Due to the lack of business, substantial cost cutting was undertaken late in the period. These results are equity-accounted.

Refer to the operational review for the detail.

FINANCIAL OVERVIEW

STATEMENT OF COMPREHENSIVE INCOME

Revenue of R557,2 million was 7% higher (Dec 2016: R521,1 million), mainly due to a six-month revenue contribution of R84,0 million from Reflex Solutions. The contributors to revenue were:

	Dec 2017 R'm	% change	Dec 2016 R'm
Carrier	**R182,4**	–4.7	**R191,4**
Enterprise	**R207,4**	+40.3	**R147,9**
Intelligent Technologies	**R67,5**	–19.4	**R83,8**
Electrical Manufacturers	**R104,8**	+2.2	**R102,5**

Profit before interest and taxation (PBIT) was 1% down at R29,9 million (Dec 2016 R30,1 million). This was mainly due to the R5,8 million drop in Intelligent Technologies, R1,5 million higher than expected losses in Kenya, R3,6 million unrealised foreign exchange loss in December and a R4,6 million cost increase attributable to IT, training, acquisition-related consulting activities and non-deductible VAT. This was offset somewhat by the first-time six-month profit contribution from Reflex Solutions of R12,5 million, and a pleasing performance from Electrical Manufacturers which was up R1,0 million on improved margins.

Although the foreign currency risk is prudently managed through a hedging programme, the hedge book can be impacted by rand volatility when measuring the value of the financial instruments at reporting dates. The sudden strengthening of the Rand in late December resulted in unrealised forex losses of R3,6 million when revaluing the hedge book at the cut-off date.

Net finance costs of R9,2 million increased from the corresponding period's R5,6 million. The finance income earned from long-term receivables decreased from R3,0 million to R1,1 million and mainly relates to the group's long-term co-location contract with an African telecommunications operator. This contract is two months from completion. The main contributor to finance costs was interest on the corporate bond of R2,8 million (Dec 2016: R5,5 million) and interest on the working capital facility of R5,2 million. The bank account interest swung from R1,5 million interest paid on overdrafts for the six months to December 2016 to R1,0 million interest received on favourable balances for the six months to December 2017.

The taxation expense of R6,1 million (Dec 2016: R9,3 million) was due to a number of the subsidiary companies that returned to tax-paying positions on full utilisation of historic assessed losses. The higher effective tax rate of 35,5% was mainly due to the corporate bond interest, which is non-deductible, and the change to equity accounting for the Kenya entity.

Profit attributable to ordinary shareholders decreased by 68% to R4,6 million (Dec 2016: R14,1 million).

Headline earnings and headline earnings per share decreased by 81% to R2,7 million (Dec 2016: R14,2 million) and 81% to 1,2 cents per share (Dec 2016: 6,3 cents per share) respectively.

The main reasons for lower headline earnings are:

- Higher interest paid;
- Equity accounted losses from International start-ups;
- Ineffective tax rate due to non-deductibility of corporate bond interest; and
- Increase in minorities share of profits, mainly Reflex Solutions.

Earnings per share (EPS) was down by 68% to 2,0 cents per share (Dec 2016: 6,3 cents per share). The weighted average number of shares in issue increased slightly from 224,6 million shares to 226,9 million shares due to a reduction in the number of treasury shares. This did not have a material impact on the comparison to the prior period.

The difference between earnings and headline earnings growth relates to the change in control in the Kenya business from a subsidiary to an associate, which gave rise to a net gain of R1,7 million. This had a 12% positive impact at an earnings level.

STATEMENT OF FINANCIAL POSITION

Non-current assets and liabilities

Plant and equipment of R82,8 million (Dec 2016: R61,2 million) increased on capital expenditure of R5,4 million in the period (Dec 2016: R7,0 million) and the inclusion of Reflex Solutions in the asset base. The capital expenditure mainly related to R3,8 million in IT network equipment in Reflex Solutions to meet growing customer demand of the service offering. The remainder was spread across the rest of the businesses.

Intangible assets (including goodwill) of R144,0 million increased from R91,7 million in December 2016 due to the goodwill arising from the acquisition of Reflex Solutions in May 2017. This compares to R140,9 million at 30 June 2017. The small increase was due to the additional development required in premises-based voice transaction management applications.

The investment in associate increased from R0,3 million at 30 June 2017 to R5,4 million at 31 December 2017 due to the change from a subsidiary to an associate of the Kenya business of R3,1 million and the investment in Jasco Technical Solutions of R2,3 million as part of Jasco's enterprise development programme.

The deferred tax asset increased from R27,5 million at 30 June to R30,0 million at 31 December 2017 due to the increased operating losses in the Energy and Channel businesses.

The increase in long-term interest-bearing liabilities of R177,1 million (Dec 2016: R74,3 million) was mainly due to the new working capital from the Bank of China. This facility replaced the group's previous bank overdrafts and increased from R100 million at 30 June 2017 to R120 million at 31 December 2017. The corporate bond holders have agreed to an extension of the repayment date from 31 January 2019 to 31 January 2020 and the balance owing of R45 million at 31 December 2017 is unchanged from the last financial year end. The remaining R12,1 million relates mainly to the group's asset financing. Including the cash on hand, the net debt:equity ratio improved from 47% in June 2017 to 30% in December 2017 and is well within the group's maximum range of 50%.

Working capital

Net working capital days of 32,6 days was pleasingly below the target of 35 days. This was mainly due to the reduction of inventory levels and improvement in trade receivables and trade payables. The following table compares the current period to the June 2017 and December 2016 positions:

	Dec 17	Jun 17	Dec 16
Inventory	**32.9**	33.6	39.7
Receivables	**81.7**	91.5	106.0
Payables	**(81.9)**	(91.2)	(99.2)
NWC days	**32.6**	33.9	46.5

While net working capital days were a good improvement compared to December 2016, this further improved from 33,9 days in June 2017 and demonstrates management's continuing effort in staying within the target set.

Inventories on hand were R89,2 million (Dec 2016: R105,4 million). The inventory levels in Electrical Manufacturers decreased compared to last December, but increased slightly from the June 2017 position due to the late December holiday closure of its major large appliances customer. The inventories in Carrier of R37,3 million decreased by R6 million and Communications and Security in Enterprise reduced by R10,0 million to R7,3 million from the prior year due to a combination of lower sales volumes and a deliberate reduction by divisional management.

Trade and other receivables decreased to R231,8 million (Dec 2016: R251,7 million) from R274,7 million at the June 2017 year end. The net trade receivables of R176,5 million increased from R172,7 million in December 2016 and R207,1 million in June 2017. The age profile of the debtors' book is good, with isolated incidents of delayed payments from one or two larger customers across the businesses. Other receivables and pre-payments decreased to R55,3 million (Dec 2016: R79,0 million) from R68,4 million in June 2017 on a reduction in the prepaid service level agreements with suppliers (mainly in Enterprise).

Non-interest-bearing liabilities of R185,8 million (Dec 2016: R163,4 million) decreased from R204,5 million in June 2017 on a reduction in trade and other payables. This was mainly due to an improved payment profile and the payment of R30,0 million for the Reflex acquisition.

The deferred maintenance revenue of R57,5 million (Dec 2016: R67,7 million) was similar to R55,3 million in June 2017 and relates to prepaid service level agreements from blue-chip customers, predominantly in Enterprise.

STATEMENT OF CASH FLOWS

The statement of cash flows reflects cash generated from operations before working capital changes of R42,8 million compared to R38,9 million in December 2016. This was in line with the operating profit performance. Working capital changes reflect an inflow of R24,3 million (Dec 2016: R24,7 million outflow). This inflow mainly relates to the decrease in inventories and accounts receivable. Management maintained its focus on reducing stock levels where appropriate, improving terms of supply from major trade partners, and improving debtors' collections.

The net interest payment of R9,2 million (Dec 2016: R5,6 million) increased, while income tax payments increased from R4,7 million to R5,7 million. The dividend of 1 cent per share declared in September 2017 was paid and resulted in a R3,6 million cash outflow.

Consequently, total cash inflows from operating activities of R48,6 million compares to a R0,6 million outflow recorded in December 2016.

Investing activities saw an outflow of R8,0 million (Dec 2016: R33,8 million inflow) due to the capital expenditure mentioned under the statement of financial position.

The financing activities outflow of R31,8 million (Dec 2016: R30,4 million outflow) relates to the repayment of the project funding vendor loan and other asset financing loans.

Accordingly, the closing cash balance of R104,0 million increased by R8,5 million (net of cash acquired on acquisition of subsidiaries of R0,35 million) from R95,5 million in June 2017 (Dec 2016: R2,8 million increase).

OPERATIONAL REVIEW

There were no changes to the group structure in this period.

Carrier – 32% of group revenue

Revenue decreased by 4,7% to R182,4 million (Dec 2016: R191,4 million), mainly due to a continued slowdown in spend by the major telecommunications operators. This business unit was also again affected by the volatility in the exchange rate. This resulted in a loss of R2,0 million compared to a loss of R3,1 million in the corresponding prior period. In spite of this, operating profit increased slightly to R25,2 million (Dec 2016: R24,8 million), with an operating margin of 13,8% (Dec 2016: 12,9%).

Enterprise – 37% of group revenue

Revenue for the year increased by 39,3% to R207,4 million (Dec 2016: R147,9 million) due to the first-time six-month contribution of R84,0 million from Reflex Solutions. The annuity service level agreement revenue base of 60% of total revenue was maintained. The operating profit increased to R12,3 million (Dec 2016: R3,9 million) and the operating margin improved from 2,7% to 5,9%, predominantly due to the R12,5 million operating profit from Reflex partly offsetting the losses in Kenya and the Channel business. The overhead expenses of R43,0 million (2016: R39,1 million) increased with Reflex's R11,2 million cost base. Cost savings of R7,3 million were achieved in Communications & Security.

Intelligent Technologies – 12% of group revenue

Revenue decreased by 19,4% to R67,5 million (Dec 2016: R83,8 million) following lower than expected volumes in the Energy business due to a continuing slowdown in project spend from major customers. The operating profit of R3,8 million (Dec 2016: R9,6 million) was 60,9% down due to the lower volumes. The overhead expenses increased by 5,4% from R17,2 million to R18,1 million in line with inflation. Consequently, the operating margin of 5,6% declined from 11,4% last year. Management is addressing the cost base in the Energy business.

Electrical Manufacturers – 19% of group revenue

In line with the strategy of increasing the customer base, Electrical Manufacturers delivered steady revenue growth of 2,2% to R104,8 million (Dec 2016: R102,5 million) on volumes from new customers and steady volumes from its major customer. The continued focus on diversifying the revenue base is delivering good results. The operating profit of R9,5 million increased from R8,5 million on higher margins and good cost control. The operating margin of 9,1% improved from 8,3% and cost control remains very tight.

KEY INTERNAL INITIATIVES

The following key internal initiatives are underway:

Create scale through bolt-on acquisitions

The group is reviewing all investments where minority shareholdings are present, with the intention of buying out these shareholders at the optimal time. Furthermore, selected acquisitions will be considered in key areas of the Jasco portfolio where additional scale is required.

Raise capital in the equity market

The group plans to raise additional capital in the next six months through the issue of approximately 67 million shares at a price to be determined in the form of an underwritten rights offer to the existing shareholders. The intention is to use the capital for bolt-on acquisitions to deliver on the group's strategy and growth, as well as to part-pay the corporate bond by year-end. Further announcements will follow in this regard.

Reducing debt

The group plans to repay the corporate bond in increments over the next 12 months, subject to the normal working capital demands of the business. This will remove the tax inefficiencies and reduce the effective tax rate.

Improving operating margins and performance

The management team will remain focused on cost control in all areas of the business, while remaining selective on the business the group takes on in favour of higher-margin quality income. All businesses that are below target are currently under review.

Working capital management

The focus on working capital management in recent years has delivered results, as evidenced in the net working capital days. However, management continues to focus on this on a permanent basis to maintain the improved position achieved in the businesses.

Transformation

The transformation of Jasco is receiving ongoing attention to ensure it remains competitive. Jasco achieved a Level 4 BBBEE rating in terms of the new ICT sector codes. Jasco is currently 57,5% black-owned and 30% black female-owned.

The following areas will continue to receive focus in 2018:

- Skills development and training of employees
- Employment equity – achieving targets at all management levels
- Retention of key technically skilled and scarce resources

GROUP PROSPECTS

As outlined, the group continues to operate against difficult economic and market conditions in all its markets. The extreme exchange rate volatility in South Africa also made trading more difficult. The risk of a credit ratings downgrade of South Africa's sovereign debt by the major credit ratings agencies is high and the International Monetary Fund has reduced the forecast economic growth rates for the country to less than one percent.

To counter this, Jasco will continue to execute its strategy and concentrate on the following additional key areas:

- Maintain its focus on costs and ensure a continued improvement in sustainable profitability levels in all business units, as well as review the head office cost base;
- Maintain the financial gearing at less than 50% from the cash generated by Jasco's operations;
- Ongoing expansion into East Africa by leveraging off the base established in Kenya. Reassess the viability of the base in the United Arab Emirates and the markets in the Middle East and North Africa;
- Add new products and services to Jasco's portfolio, with an emphasis on Managed Solutions as a fast-growing and higher-margin business area;
- Evaluate bolt-on acquisitions to ensure smaller businesses achieve the required critical mass to remain competitive; and
- Continued increase in transformation.

Jasco's primary focus in the short-term will therefore remain on delivering sustained profits through a combination of organic growth and carefully targeted acquisitions in key growth areas.

Shareholders are advised that any forward-looking information or statements contained in this announcement have not been reviewed or reported on by Jasco's independent auditors.

SUBSEQUENT EVENTS

There were no material subsequent events.

CHANGES TO THE BOARD

There were no changes to the Board during the period.

For and on behalf of the board

Dr ATM Mokgokong	AMF da Silva	WA Prinsloo
(Non-executive chairman)	*(Chief executive officer)*	*(Chief financial officer)*

12 February 2018

BASIS OF PREPARATION OF INTERIM RESULTS

The unaudited results comply with IAS 34 – Interim Financial Reporting. The accounting policies and methods of computation used in the preparation of this report are consistent with those used in the preparation of the annual financial statements for the year ended 30 June 2016, which comply with International Financial Reporting Standard ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE Limited and the Companies Act (2008) of South Africa.

ASSESSMENT OF THE IMPACT OF NEW STANDARDS

IFRS 15 – Revenue from contracts with customers

Initial assessment has identified that revenue recognised from Service Level Agreements (SLAs) will be impacted by this standard. A detailed review of significant contracts across all business units is currently under way, this is expected to be finalised by the next reporting period. The current revenue recognition principles related to SLAs under IAS 18 are not significantly different from those set out under the output method in IFRS 15.B.15.

IFRS 9 – Financial instruments

A low impact on adoption of the standard is expected as the Group's financial assets and liabilities are non-complex financial instruments consisting primarily of accounts receivable, accounts payable and interest-bearing borrowings, these are recognised and carried at amortised cost.

The Group will adopt the modified retrospective model for IFRS 9 and IFRS 15.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of financial instruments are determined using appropriate valuation techniques. These include recent market transaction and other valuation models. Significant inputs include exchange rates. The group only has assets that are carried at fair value in level 2. There is no difference between the fair value and carrying value of financial instruments not presented below due to either the short-term nature of these items, or the fact that they are priced at variable interest rates.

Fair value hierarchy

Financial instruments carried at fair value in the statement of financial position	(R'000):
– Financial assets at fair value through profit or loss	–
– Financial liabilities at fair value through profit or loss	6 871

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(R'000)	Unaudited Dec 2017 6 months	Unaudited Dec 2016 6 months	% change	Audited Jun 2017 12 months
Revenue	**557 161**	521 141	6,9%	**1 044 301**
Turnover	**554 997**	518 150	7,1%	**1 037 315**
Interest received	**2 164**	2 991	(27,6%)	**6 986**
Operating profit before interest and taxation	**29 906**	30 106	(0,7%)	**41 941**
Interest received	**2 164**	2 991	(27,6%)	**6 986**
Interest paid	**(11 406)**	(8 603)	32,6%	**(18 521)**
Equity accounted share of loss from joint venture/associate	**(3 474)**			**(1 823)**
Profit before taxation	**17 190**	24 494	(29,8%)	**28 583**
Taxation	**(6 101)**	(9 266)	(34,2%)	**(16 253)**
Profit for the period/year	**11 089**	15 228	(27,2%)	**12 330**
Other comprehensive income	**(380)**	(209)	0,0%	**319**
Total comprehensive income for the period/year	**10 709**	15 019	(28,7%)	**12 649**
Profit attributable to:				
– minority shareholders	**6 504**	1 117	482,3%	**4 202**
– equityholders of the parent	**4 585**	14 111	(67,5%)	**8 128**
Profit for the period/year	**11 089**	15 228	(27,2%)	**12 330**
Total comprehensive income attributable to:				
– minority shareholders	**6 504**	1 117	482,3%	**4 202**
– equityholders of the parent	**4 205**	13 902	(69,8%)	**8 447**
Total comprehensive income for the period/year	**10 709**	15 019	(28,7%)	**12 649**
Reconciliation of headline earnings				
Net earnings attributable to equityholders of the parent	**4 585**	14 111	(67,5%)	**8 128**
Headline earnings adjustments	**(1 924)**	135	1525,1%	**(2 562)**
– profit on disposal of subsidiary/business unit	**(10 914)**	–		**(2 641)**
– loss on acquisition of associate	**9 213**	–		**–**
– recycle FCTR on disposal of subsidiary	**(380)**	–		**–**
– net after-tax loss/(profit) on disposal of fixed assets	**157**	135		**79**
Headline earnings	**2 661**	14 246	(81,3%)	**5 566**
Number of shares in issue ('000)	**229 319**	229 319	0,0%	**229 319**
Treasury shares ('000)	**2 542**	4 704		**2 407**
Weighted average number of shares on which earnings per share is calculated ('000)	**226 778**	224 615	1,0%	**226 912**
Dilutive shares				
– dilutive shares and options ('000)	**172**	105		**2 451**
Weighted average number of shares on which diluted earnings per share is calculated ('000)	**226 949**	224 720	1,0%	**229 363**
Ratio analysis				
Attributable earnings (R'000)	**4 585**	14 111	(67,5%)	**8 128**
EBITDA (R'000)	**42 781**	39 040	9,6%	**56 315**
Earnings per share (cents)	**2,0**	6,3	(67,8%)	**3,6**
Diluted earnings per share (cents)	**2,0**	6,3	(67,8%)	**3,5**
Headline earnings per share (cents)	**1,2**	6,3	(81,5%)	**2,5**
Diluted headline earnings per share (cents)	**1,2**	6,3	(81,5%)	**2,4**
Dividend per share - final (cents)	**1,0**	2,0	(50,0%)	**–**
Net asset value per share (cents)	**102,6**	104,3	(1,6%)	**102,2**
Net tangible asset value per share (cents)	**39,1**	63,5	(38,4%)	**40,1**
Debt:Equity (%)	**30,0**	34,6	(13,4%)	**47,1**
Interest cover (times)	**3,0**	5,4	(43,6%)	**3,4**
EBITDA interest cover (times)	**4,6**	7,0	(33,5%)	**4,9**

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(R'000)	Unaudited Dec 2017	Unaudited Dec 2016	Audited Jun 2017
ASSETS			
Non-current assets	**262 889**	182 428	**251 663**
Plant and equipment	**82 791**	61 186	**78 936**
Intangible assets	**143 989**	91 687	**140 910**
Investment in joint venture/associate	**5 358**	–	**284**
Deferred tax asset	**30 001**	28 640	**27 526**
Other non-current assets	**750**	915	**4 007**
Non-current assets held for sale	**–**	–	**–**
Current assets	**439 574**	392 688	**479 598**
Inventories	**89 214**	105 379	**86 334**
Trade and other receivables	**231 775**	251 688	**274 747**
Foreign currency contracts	**–**	–	**604**
Short-term portion of other non-current assets	**6 157**	20 394	**15 082**
Taxation refundable	**8 438**	5 190	**7 280**
Cash and cash equivalents	**103 990**	10 037	**95 551**
Total assets	**702 463**	575 116	**731 261**
EQUITY AND LIABILITIES			
Share capital and reserves	**257 360**	242 426	**249 401**
Non-current liabilities	**184 241**	79 523	**168 504**
Interest-bearing liabilities	**177 134**	74 333	**162 598**
Deferred maintenance revenue	**1 440**	997	**331**
Deferred tax liability	**5 667**	4 193	**5 575**
Current liabilities	**260 862**	253 167	**313 356**
Short-term portion of interest-bearing liabilities	**4 043**	19 649	**50 373**
Bank overdraft	**–**	–	**–**
Non-interest-bearing liabilities	**185 828**	163 424	**204 548**
Foreign currency contracts	**6 871**	1 139	**476**
Deferred maintenance revenue	**57 530**	67 676	**55 333**
Taxation liability	**6 590**	1 279	**2 626**
Total equity and liabilities	**702 463**	575 116	**731 261**

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(R'000)	Unaudited Dec 2017 6 months	Unaudited Dec 2016 6 months	Audited Jun 2017 12 months
Attributable to equity holders of the parent			
Opening balance	**231 956**	224 749	**224 749**
Treasury shares – Share Incentive Trust	**–**	127	**3 597**
Share-based payment reserve	**–**	(94)	**3 162**
Utilisation of equity settled share-based payment reserve	**–**	–	**(3 521)**
Transactions with non-controlling shareholder	**–**	–	**–**
Total comprehensive income	**4 205**	13 902	**8 447**
– Profit for the period/year	**4 585**	14 111	**8 128**
– Other comprehensive income	**(380)**	(209)	**319**
Dividends declared	**(3 557)**	(4 475)	**(4 478)**
Closing balance	**232 604**	234 209	**231 956**
Non-controlling interests			
Opening balance	**17 445**	7 100	**7 100**
Transactions with non-controlling shareholder	**–**	–	**3**
Acquisition of companies	**807**		**6 966**
Total comprehensive income	**6 504**	1 117	**4 202**
– Profit for the period/year	**6 504**	1 117	**4 202**
– Other comprehensive income	**–**	–	**–**
Dividend paid to non-controlling shareholder	**–**	–	**(826)**
Closing balance	**24 756**	8 217	**17 445**
Total equity	**257 360**	242 426	**249 401**

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

(R'000)	Unaudited Dec 2017 6 months	Unaudited Dec 2016 6 months	Audited Jun 2017 12 months
Cash generated from operations before working capital changes	**42 781**	38 946	**58 790**
Working capital changes	**24 313**	(24 730)	**7 060**
Cash generated from operations	**67 094**	14 216	**65 850**
Net financing costs	**(9 242)**	(5 612)	**(11 535)**
Net taxation paid	**(5 678)**	(4 679)	**(16 943)**
Dividends paid	**(3 557)**	(4 475)	**(5 304)**
Cash flow from operating activities	**48 617**	(550)	**32 068**
Cash flow from investing activities	**(7 973)**	33 757	**14 544**
Cash flow from financing activities	**(31 794)**	(30 426)	**41 878**
Increase in cash resources	**8 850**	2 781	**88 490**

SUMMARISED SEGMENTAL REPORTS

Income and expenses	**31 Dec 2017 6 months**		31 Dec 2016 6 months		**30 June 2017 12 months**	
(R'000)	**Revenue**	**Operating profit/(loss)**	Revenue	Operating profit/(loss)	**Revenue**	**Operating profit/(loss)**
Carrier	**182 415**	**25 170**	191 354	24 884	**385 846**	**51 032**
Enterprise	**207 377**	**12 285**	147 858	3 925	**315 652**	**(3 446)**
Intelligent Technologies	**67 519**	**3 751**	83 792	9 590	**165 294**	**22 094**
Electrical Manufacturers	**104 793**	**9 533**	102 494	8 482	**190 795**	**13 275**
Sub-total operating divisions	**562 104**	**50 739**	525 498	46 881	**1 057 587**	**82 955**
Other	**1 574**	**(20 226)**	1 658	(15 671)	**4 770**	**(36 887)**
Adjustments	**(6 517)**	**(607)**	(6 015)	(1 104)	**(18 056)**	**(4 127)**
Total	**557 161**	**29 906**	521 141	30 106	**1 044 301**	**41 941**

Financial position (R'000)	**Assets**	**Liabilities**	Assets	Liabilities	**Assets**	**Liabilities**
Carrier	**121 668**	**35 773**	161 294	44 161	**150 705**	**38 191**
Enterprise	**165 020**	**85 755**	141 139	73 453	**152 772**	**88 623**
Intelligent Technologies	**39 270**	**6 990**	79 749	36 829	**75 254**	**32 824**
Electrical Manufacturers	**85 335**	**11 811**	78 528	10 610	**89 445**	**19 776**
Sub-total operating divisions	**411 293**	**140 329**	460 710	165 053	**468 176**	**179 414**
Other	**71 008**	**187 871**	62 846	156 319	**170 685**	**302 827**
Adjustments	**220 162**	**116 903**	51 560	11 318	**92 400**	**(381)**
Total	**702 463**	**445 103**	575 116	332 690	**731 261**	**481 860**

JASCO ELECTRONICS HOLDINGS LIMITED

Registration number 1987/003293/06
• JSE share code: JSC
• ISIN: ZAE000003794
("Jasco" or "the company" or "the group")

Directors and Secretary: Dr ATM Mokgokong (Chairman), MJ Madungandaba (Deputy Chairman), JC Farrant*, MSC Bawa, PF Radebe*, TP Zondi* (Non-executives), AMF da Silva (CEO), WA Prinsloo (CFO), TS Petje, SM Samuels (Executives), N Modisakeng (Company Secretary)
*Independent

Registered office: Jasco Park, c/o 2nd Street and Alexandra Avenue, Midrand, 1632

Transfer secretaries: Link Market Services SA (Pty) Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001

Sponsor: Grindrod Bank Limited, Fourth Floor, Grindrod Tower, 8A Protea Place, Sandton, 2146

More information is available at: **www.jasco.co.za**