

ANNUAL GENERAL MEETING 2014



David Dicker – Chairman & CEO

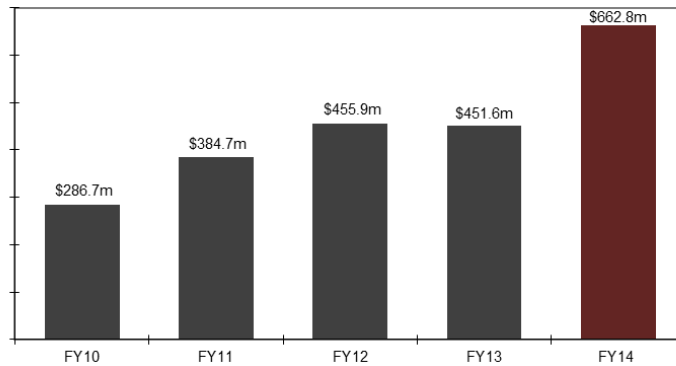


David Dicker (Chairman & CEO),
welcomes you to 2014 annual
general meeting of Dicker Data Ltd

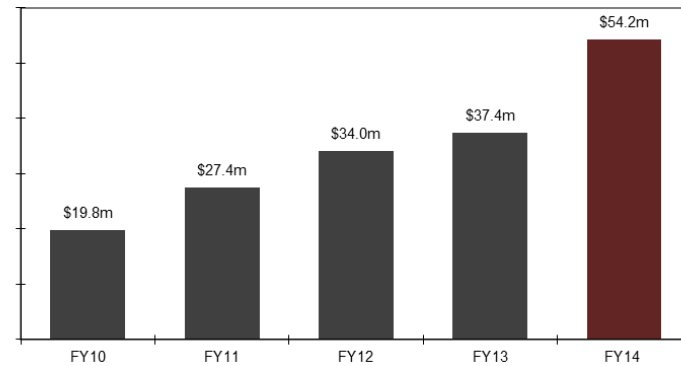
FULL YEAR RESULTS

FINANCIAL HIGHLIGHTS

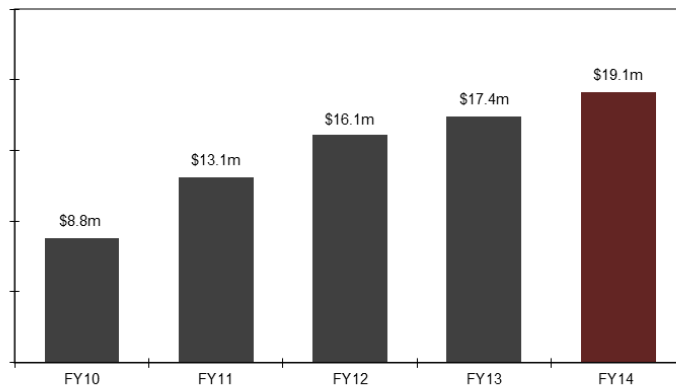
Revenue



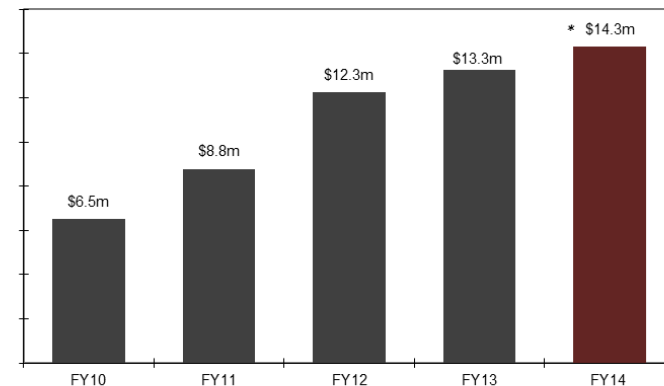
Gross Profit



EBITDA



Operating Profit



* Before tax and one-off integration and share acquisition costs

FINANCIAL PERFORMANCE

- Revenue for the full year was \$662.8m, up by 46.8%, with the increase mainly attributable to the acquisition of Express Data group on 01 April 2014.
- Revenue includes \$186m contribution by Express Data group for the 3 months to June.
- Excluding one off acquisition related costs of \$6.2m, operating profit before tax also increased to \$14.3m, up by 7.5%.
- NPAT finalised at \$5.1m, down by 44.6% due to the one off share acquisition and integration costs.
- Rolling 12 months DPS was 4.05c, representing total dividends paid of \$5.1m at a payout ratio of 100% on FY14 NPAT.

FINANCIAL HIGHLIGHTS

\$Million	FY2014	FY2013	Change %
Sales revenue	662.8	451.6	46.8%
Gross profit	54.2	37.4	44.9%
EBITDA*	20.7	17.4	19.0%
Operating profit before tax*	14.3	13.3	7.5%
Net profit after tax	5.1	9.2	-44.6%
Earnings per share (cents)	4.06	7.28	-44.2%
Dividends per share*(cents)	4.05	7.00	-42.1%
Payout ratio	100%	97%	3.1%

* Before one-off integration and share acquisition costs

** Dividends per share based on rolling 12 months

FINANCIAL HIGHLIGHTS

\$Million	FY2014	FY2013
Cash	18.2	0.5
Receivables	161.2	64.4
Inventories	85.0	49.7
PPE	23.0	19.6
Intangible assets	29.8	0.2
Others	5.0	0.7
Total assets	322.2	135.1
Payables	174.9	47.2
Borrowings	118.7	63.8
Others	8.1	4.0
Total liabilities	301.8	115.0
Net assets	20.4	20.1

FINANCIAL POSITION SUMMARY

- On 1st April 2014 we completed the acquisition of the Express Data group. The cost of the acquisition, after a working capital adjustment, finalised at \$51.1m. Based on the purchase price being in excess of net tangible assets the company is recording for the first time identifiable intangible assets and goodwill.
- The acquisition was funded via a debt facility with Westpac bank. Total borrowings have increased equivalent to the purchase price.
- PPE has also increased with the expansion of the distribution facility at Kurnell with an additional 5,000sqm of warehouse and office space completed in August 2014.

EXPRESS DATA INTEGRATION UPDATE

- Physical integration was completed in September 2014. All staff and distribution facilities are now operating from Kurnell.
- Systems have been consolidated, and current focus is on improving operating efficiencies for the combined business.
- Further integration costs of approximately \$3m to \$3.5m are expected to be incurred in the FY15 year.
- As a result of restructure and consolidation we expect to capture annual merger cost savings of approximately \$13m, of which we hope to capture 50% of these synergies in FY15
- Focus is now shifting to driving revenue synergies whilst simultaneously reviewing costs of the consolidated entity.

OUTLOOK FOR 2015

- Total revenue for the first quarter of FY15 was \$263m. Based on these revenue results we are confident of generating revenue in excess of \$1bn for FY15
- We see great opportunity to offer mix of enterprise vendors such as Cisco, Citrix, SAP and RSA into the mid-market reseller community going into 2015.
- The acquisition of Express Data has also provided an entry into the New Zealand market. With very little vendor product overlap part of our focus for FY15 will be to expand our vendor offering in New Zealand.

CAPITAL MANAGEMENT

Annual General Meeting 2014



DIVIDEND PAYMENTS FOR FY2014

Declaration Date	Payment Date	Dividend / Share (in cents)	Amount (000's)	Type	Amount Franked
23-Dec-13	17-Jan-14	1.00	\$1,277	Interim	100%
16-May-14	02-Jun-14	0.70	\$894	Interim	100%
25-Jul-14	12-Aug-14	0.50	\$641	Interim	100%
18-Sep-14	07-Oct-14	1.85	\$2,376	Final	100%
Total		4.05	\$5,188		

CAPITAL STRUCTURE

- During the year the Company introduced a Dividend Reinvestment Plan (DRP) as part of its capital management strategy. Under the plan eligible shareholders may elect to have all or part of their dividends paid in shares.
- In August, as part of the Company's strategy to improve liquidity the founders sold a parcel of 3,000,000 shares each, increasing free float to at least 10%.
- Longer term objective will be to further address liquidity with a share issue planned within next 12 -18 months. We anticipate to use the proceeds of any capital raising towards reducing the acquisition debt.

INVESTORS RETURN SINCE JULY 2013

	12 Months
Share price appreciation	79.5%
Dividend yield	2.4%
Total Return	81.8%

	Share Price as at 18/11/14
Share price	\$1.705
Shares on issue	129.7m
Market Cap	\$221.1m

12 MONTHS PERFORMANCE

