



CORPORATE GOVERNANCE MATTERS

IN TODAY'S BUSINESS ENVIRONMENT, SUSTAINABILITY IS FUNDAMENTAL TO THE BUSINESS STRATEGY AND VALUES OF ADAPT IT.

Chairman's Review

It gives me great pleasure to report on another successful year for the Adapt IT Group.

The Group continued to perform admirably by focusing on its strategic objectives and the increasing demand for the transformation of business in South Africa.

Business Sustainability

In today's business environment, sustainability is fundamental to the business strategy and values of Adapt IT.

We believe implicitly in the fundamental power business holds with regard to social and environmental progress. We strive to be a fair employer, committed to the development and well-being of our people. We look for innovative ways in which business can directly affect the sustainability of our communities and the environment. We acknowledge that vital, thriving communities are able to improve the long-term profitability of a business. We are making steady progress towards reducing our environmental impact and taking this learning into our ICT solutions in customer environments.

Governance

As the ultimate custodian of Corporate Governance, the Board remains committed to the principles of openness, integrity, accountability and social responsibility in all that we do. We are making good progress in

implementing improvements to our governance, through a structured programme to ensure that we comply with the King III Code in full by March 2011, in line with JSE Listings Requirements.

The Board will ensure compliance with the new Companies Act and the broader legislative framework in all the environments where the Group operates.

Board Changes

I succeeded Ralph Collis as Chairperson upon his resignation in September 2009, after an 11-year tenure.

He was a founding director 14 years ago and I wish to take this opportunity to pay tribute to him for the value he has added and mentorship he has provided to the current leadership.

I have no doubt that the current executive management, from its well-established and sound platform, will continue to grow the business well into the future. I thank Ralph for his contribution and wish him every success in his future endeavours.

During the reporting period, Bruno Lionnet and Cindy von Pannier stepped down from the Board, pursuant to a governance restructure, in order to focus on subsidiary executive duties. I am confident that this step change will play a pivotal role in strengthening our operations.



Dr Bernard Ravnö
Independent Non-Executive Chairman

Chairman's Review (continued)

The Board appointed Patrick September and Mandla Nhlapo as additional Independent Non-Executive Directors on 1 January 2010 and 11 March 2010 respectively. The Board looks forward to their contribution during the coming years. These appointments form an integral part of the company's ongoing commitment to improving Corporate Governance and enhancing the strategic leadership of the Group. They are both widely experienced individuals and their insight and contributions will undoubtedly improve the strength of the Board.

Dividends

The Board declared ordinary dividend number 8 of 3,41 cents per share. This represents just under a four times dividend cover.

The company has a policy of declaring dividends at the end of the financial year and not at the interim reporting date.

Annual General Meeting

Our Annual General Meeting will be held on 22 October 2010. Notice of the meeting appears on page 99.

Prospects

In the coming year, we foresee continued challenges to the economy, yet remain confident of Adapt IT's ability to meet such challenges.

We achieved satisfactory growth during the past year and we will continue to be prudent in our approach to the next, while remaining committed to strong growth in the medium-term. There can be no doubt that opportunities await well-capitalised companies with a sound business model and these will be carefully explored.

Appreciation

My sincere thanks are due to my colleagues on the Board of Directors for their continuing support in taking Adapt IT forward.

In particular, I must thank the Adapt IT Executive for leading the Group to achieve improved results in a difficult economic environment. The Board has every confidence in their ability to lead the company successfully into the future.

I extend my sincere thanks to our long-standing and new customers, suppliers, partners, shareholders, service providers and employees for their ongoing support of Adapt IT.



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Dr Bernard Ravnö
Independent Non-Executive Chairman