

Allied Electronics Corporation Limited
 (Registration number 1947/024583/06)
 (Incorporated in the Republic of South Africa)
 Share Code: AEL ISIN: ZAE000191342
 (“Altron” or “the company”)

TRADING STATEMENT FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2019

In terms of the Listings Requirements of the JSE Limited, companies are required to publish a trading statement as soon as there is a reasonable degree of certainty that the financial results for the period to be reported upon next will differ by at least 20% from the financial results for the previous corresponding period.

In line with previous reporting, the financial results for the year ended 28 February 2019 have also been divided between continuing and discontinued operations.

The table below illustrates expected earnings per share and headline earnings per share on a statutory basis for the financial year-end period:

	28 February 2018 (cents)	28 February 2019 between (cents)	28 February 2019 % range between
Total operations			
Headline earnings per share	121	180 – 196	49% – 62%
Earnings per share	51	186 – 194	264% – 280%
Continuing Operations			
Headline earnings per share	119	170 – 186	43% – 56%
Earnings per share	109	166 – 180	52% – 65%

Continuing operations

The majority of the group’s operations have had a strong performance for the financial year ended 28 February 2019. During the financial year, Netstar changed the way it accounts for contract fulfilment costs resulting in an EBITDA increase of R189 million for the prior year. Therefore, on a like-for-like comparison group EBITDA from continuing operations is expected to increase by between 28% and 35%. Headline earnings for the period are expected to increase between 43% and 56%. Normalised headline earnings have not been presented in this trading statement given the nominal difference as against the prior year of 4 cents per share.

Discontinued operations

As announced to shareholders on SENS on 26 July 2018, Altron concluded the disposal of Powertech Transformers. The company also concluded the sale of Altech UEC, the last non-core control asset, which became unconditional with effect from 21 January 2019. The ongoing improvement in the performance of the discontinued businesses against the prior year has contributed to the improvement in both earnings and headline earnings per share for total operations.

The financial results for the year ended 28 February 2019 are expected to be released on SENS on 9 May 2019.

This statement has not been reviewed or reported on by the company’s auditors.

By order of the Board.

Johannesburg

11 April 2019

Sponsor

Investec Bank Limited