


30 FUTURE DIRECTIONS

EVOLVING SHAPE.
FORESIGHT AND PRECISE ADAPTATION
BRING THEIR OWN BOUNTIES.





During FY2003 Datacraft took several steps toward becoming the region's leading provider of solutions and services based around Application Network Architecture. Being a pioneer in building data networks in Asia, it is a logical progression for the company to take the lead in pursuing network technology as it extends into other areas of IT and, in the process, help customers increase their return on IT investment.

Whilst last year was one of transition during which Datacraft made a successful market entry with several new Application Network solution sets, FY2004 will see the company fully immerse itself in the application network marketplace.



The catalyst for this drive came from customers' need to gain competitive advantage through the adoption of IT infrastructure that is flexible and scalable enough to respond quickly to new business needs, market shifts and regulatory changes. A good example of this is the Sarbanes-Oxley Act that has brought in stringent new rules on corporate governance for US-listed companies. Compliance with this has forced significant changes in the way companies manage their information by ensuring that applications can interact with one another more effectively.

Application Network Architecture addresses the challenges of convergence and compliance, enabling companies to achieve the flexibility they need and to drive down the total cost of ownership through "virtualisation" of IT resources. We understand where technology is going and are helping our customers ride this wave to greater business performance.

Based around open standards, Application Networks are vendor-neutral and able to cover the broad spectrum of IT systems that customers already have in place. Open system standards promote ease of integration and application interoperability, reducing system life-cycle costs. The critical technologies for implementing the Application Network architecture are IP networking and Web Services – a set of XML (eXtensible Markup Language) interfaces that provide a standard means of exchanging data between different software applications and among multiple systems.

Key to the successful execution of this strategy is building a world-class professional services organisation within Datacraft. Here, the company has a good head start since we already have the specialist expertise in converging technologies. Our skill in convergence reduces the risks that arise when combining different technologies, thereby maximising business impact.

Within Datacraft Professional Services, we have consolidated these skills and committed the investment to ensure that we have the technical capabilities to build a solutions and services ecosystem around our strategic vendors: Cisco Systems, EMC Corporation and Microsoft. These alliances enable Datacraft to fulfil its Application Network vision, with Microsoft supporting application integration through Web Services, EMC virtualising storage resources and Cisco providing end-to-end network infrastructure.

As well as providing a tighter focus for our technology skill set, strategic alignment with these three partners has distinct marketing advantages. Each of them is the number one vendor in its field - networking, storage and enterprise software, providing Datacraft with a large addressable market space. These core alliances also serve to differentiate Datacraft from competitors whose competing product lines prevent them from working as closely with these market leaders.

Through our long-standing partnership with Cisco we are addressing new market segments with advanced technologies for IP Telephony, Optical, Storage, Wireless LANs together with a security focus. There are close

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synergies here with our established solution focus areas in IP Convergence, Customer Contact Centres, Storage and Security Consulting. To maintain our well-established position as Cisco's leading partner in the region, we are focusing on and gaining specialist certification in these advanced technologies.

According to the Meta Group, information storage accounted for 13% of IT budgets in 2002 and is expected to rise to 15-17% by 2006-07. Gartner is projecting the market for network-attached storage devices will almost double over the next four years, reaching US\$3 billion worldwide by 2007. Clearly, the partnership Datacraft forged with EMC last year has a great deal of upside for both companies. As well as leveraging our expertise in IP networking in the storage arena, Datacraft will create and support solutions, such as data warehousing and information lifecycle management, where storage is a major element.

Microsoft's .NET architecture, which has matured to the point where enterprises are starting to deploy it, sits very comfortably within Application Networks as its foundation is a framework for building, deploying and running XML Web services and other applications. During 2004, Datacraft will be investing considerably in .NET skills with the goal of becoming Microsoft's major partner across the region.

Datacraft's alignment with Microsoft will provide significant growth opportunities. As part of the Dimension Data Group, we will be one of Microsoft's trusted global system integration partners at a time

when its penetration into enterprise computing is rising strongly. During 2002, Microsoft's share of the worldwide server operating environment license revenue grew to 55.1% and is not expected to decline anytime soon according to IDC.

With the support of these three strategic partners, Datacraft will be in a position to build a full solution ecosystem that encompasses related products and technologies from other vendors. This will enhance our ability to lead the market and deliver rapid returns on investments to blue chip customers.

In short, Datacraft is now well positioned with the expertise, methodology, technical infrastructure and go-to-market strategy to ride the Application Network wave for the next several years.

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