

TeleMasters flying high in tough conditions

With the global downturn taking serious root, telecommunications specialist TeleMasters continues to deliver strong returns for shareholders.

TeleMasters
Press release issued by Sabio Communications
Johannesburg, 30 Oct 2008

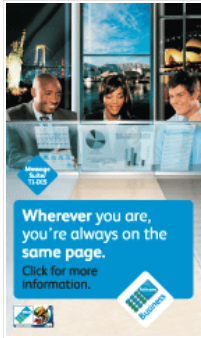


[VISIT OUR PRESS OFFICE](#)

[POST YOUR COMMENT](#)

TeleMasters declared a 3c interim dividend in its second quarterly dividend announcement, its fourth dividend announcement since listing on the JSE AltX exchange in March 2007. The 3c dividend reflects the company's ongoing health in a tough trading climate and its current dividend yield is 15%, third highest on the JSE.

"We're pretty much debt free, even after the recent acquisitions of Motion Telecoms and a number of smaller players," says *Mario Pretorius*, TeleMasters Executive Chairman. "TeleMasters continues to offer great value at current price levels and our future prospects are also very strong within the context of our organic growth strategy. New technologies are being rolled out that will put in place a versatile platform able to deliver ongoing efficiencies and cost savings. Our ISO certification is also pending, which means quality assurance is becoming more and more of a strength internally, which reinforces our ability to offer top quality services to clients."



TeleMasters was the first JSE company to attempt to pay monthly dividends to shareholders and, although for regulatory reasons this move has effectively translated into the first and only company paying quarterly dividends, the benefits to shareholders continue to impress. Aside from the frequency of dividend payments, at 15%, TeleMasters features one of the highest dividend yields on the JSE, making the company a strong choice for those looking for sustainable, high value investments.

"We would love to be paying monthly dividends," says Pretorius. "Our approach has always been that by listing our company we are offering, in essence, a strong investment. For the investor, this has to mean holding an income producing asset. There is no better way of rewarding an investor - and demonstrating the robust health of a company - than by frequently announcing and sharing the returns."

In its July interim results announcement, TeleMasters' revenue was up 19%, before tax profit up 18%, after tax profit up 9%, gross profit up 5% and EPS up 8.7% to 19.57c per share.

"It has been a good period for the company," says Pretorius. "Importantly, we remain strong in terms of cash flow, even after paying cash for some acquisitions and with regular dividend payments. This cash flush position reflects the general health of the company; we continue to add new dealers to our existing network of over 200 and our reach and market penetration is constantly growing. In the current tough trading conditions we are very fortunate to enjoy this kind of flexible position. It should position us well for the year ahead."