



www.eoh.co.za

Systems make it possible...
People make it happen

Financial Results 2011

12th September 2011



Presentation to the Investment Analysts' Society
of EOH Holdings Limited's Annual Results for the
period ended 31 July 2011



Agenda



- ▲ Business overview
 - Jane Thomson
 - Ebrahim Laher
 - Rob Godlonton
 - Jehan MacKay
 - Johan van Jaarsveld

- ▲ Financial review
 - John King

- ▲ Highlights and the way forward
 - Asher Bohbot

Business Overview



Jane Thomson



EOH vision



To be the best technology and business solutions company to work for, partner with and invest in

EOH at a glance



- ▲ Leader in technology and business solutions
- ▲ Largest implementer of enterprise solutions
- ▲ End-to-end offerings
- ▲ Strong black empowerment profile
- ▲ Operates in South Africa, Africa and UK
- ▲ Listed on JSE since 1998
- ▲ Over 3 200 people

EOH board



Asher Bohbot



Dion Ramoo



Jane Thomson



John King



Lucky Khumalo



Dr. Mathews Phosa



Pumeza Bam



Rob Sporen



Tebogo Skwambane



Prof. Tshildzi Marwala

EOH executive committee



Asher Bohbot



Andrew Krause



Brian Gubbins



Dion Ramoo



Ebrahim Laher



Gary Lawrence



Jane Thomson



Johan Cloete



Johan v Jaarsveld



Jehan MacKay



John King



Pumeza Bam



Rob Godlonton



Zunaid Mayet

What we do



▲ We develop business and technology solutions with our clients to help them

- Increase revenue
- Increase service delivery
- Increase efficiency
- Reduce cost
- Reduce risk

Industries served



▲ We provide solutions in the following industries

- Financial Services
- Telecommunications
- Mining
- Manufacturing
- Public Sector

Operating model



Portfolio



- Business operations improvement
- IT strategy
- IT architecture
- Project management
- Change management



- Enterprise systems
- Information management
- Security management
- IT management and optimisation



- Managed services
 - On-site
 - Hosted
 - Cloud
 - Infrastructure, application, technical & office
- Public sector managed services
- BPO
- Facilities management

Technology partners



Exclusive representative for Sub-Saharan Africa



Exclusive representative for Sub-Saharan Africa



Gold certified Microsoft partner



Certified advantage partner



SAP service partner



IBM premier business partner



Platinum partner

Technology partners

EOH

INFOR

INFOR distributor and implementation partner

Information Management
Cognos.
software

Value added reseller

KOFAX

Exclusive Southern African distributor

mimecast

Mimecast partner



Gold partner and distributor in Sub-Saharan Africa

Blue Coat

Exclusive Blue Coat distributor in South Africa



Largest SYSPRO distributor in Africa

Abridged client list

EOH



Portfolio



- Enterprise systems
- Information management

- Cloud
- Public sector managed services
- BPO

Ebrahim Laher



Enterprise systems



The engine room of your organisation

- ▲ Finance, HR, Procurement
- ▲ Core banking, supply chains
- ▲ Customer relationship management
- ▲ Executed implementation in all industry sectors
- ▲ Biggest range of application

Reinvents your business
with best practice
process management

Enterprise systems, cont.



- ▲ Solid implementation track record in all industry sectors
- ▲ From shop floor to boardroom
- ▲ Biggest range of applications
- ▲ Industry and process templates
- ▲ Delivering over the cloud

Enterprise systems, cont.



- ▲ SAP
- ▲ Oracle
- ▲ Infor
- ▲ Microsoft
- ▲ Syspro

Information management



Optimise your information assets

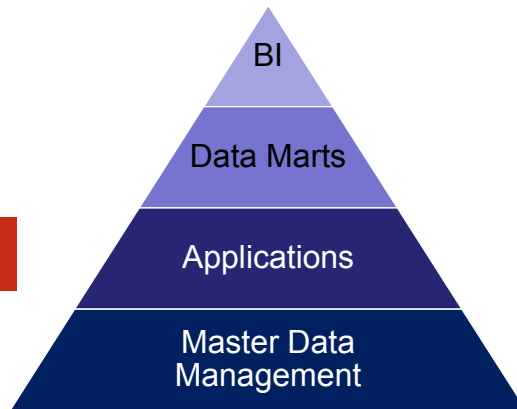
- ▲ Information strategy development
- ▲ Enterprise performance management
- ▲ Enterprise content management
- ▲ Master data management
- ▲ Business analytics

Information Management, cont.

EOH

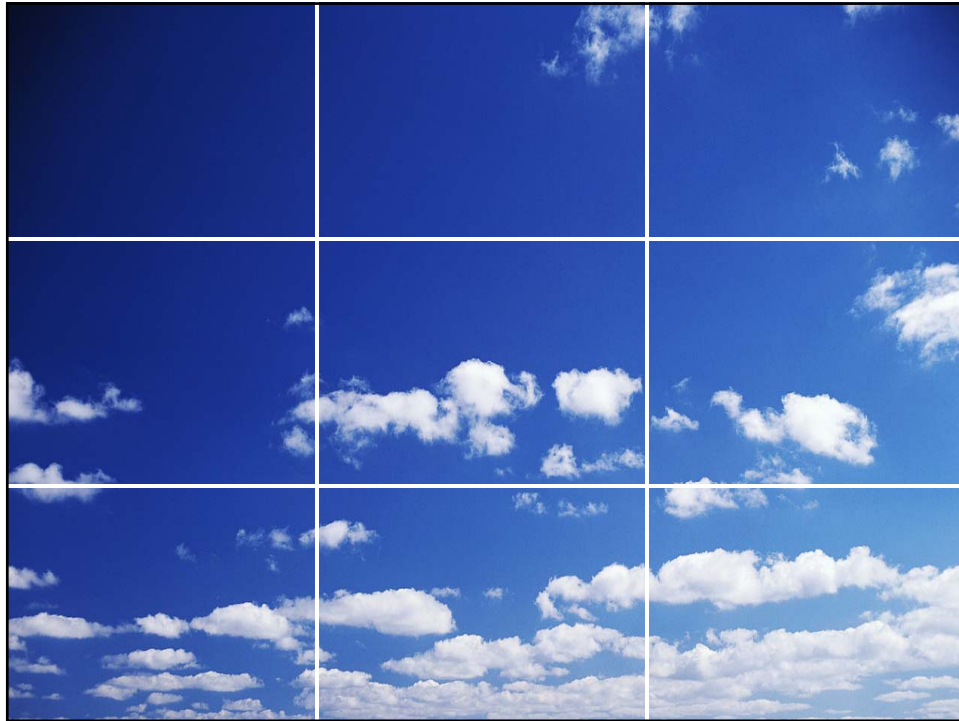
- ▲ Hyperion
- ▲ Cognos
- ▲ Business objects
- ▲ SAS
- ▲ Microsoft BI

Single focus areas in the data flow will deliver zero benefits



Rob Godlonton

EOH



EOH and the cloud



	Infrastructure as a Service (IaaS)	Platform as a Service (PaaS)	Software as a Service (SaaS)
Cloud Consulting	✓ Servers	✓ Hosting	✓ Enterprise Systems
	✓ Storage	✓ Network	✓ Mail – Hosted
	✓ Desktop	✓ Data Archiving	✓ Mail – Archiving
	✓ Workspace	✓ Unified Communication	✓ Document Management
		✓ Hosted PABX	✓ Messaging
	Service Management Platform		
	Disaster Recovery Platform		

EOH cloud services



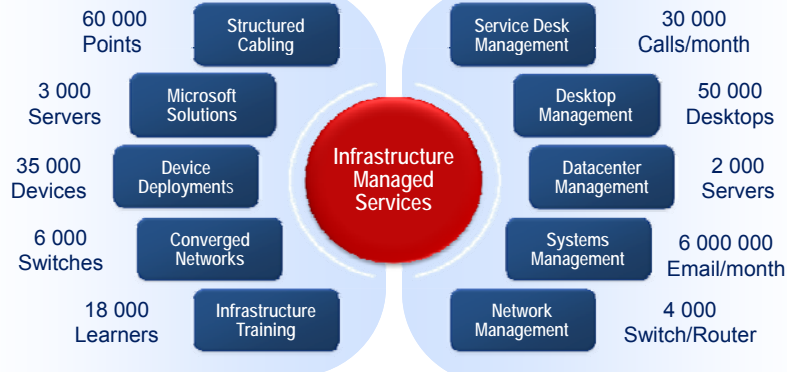
- ▲ Virtualisation
- ▲ Storage as a service
- ▲ Infrastructure as a service
- ▲ Platform as a service
- ▲ Software as a service

▲
Everything as a Service

Jehan MacKay



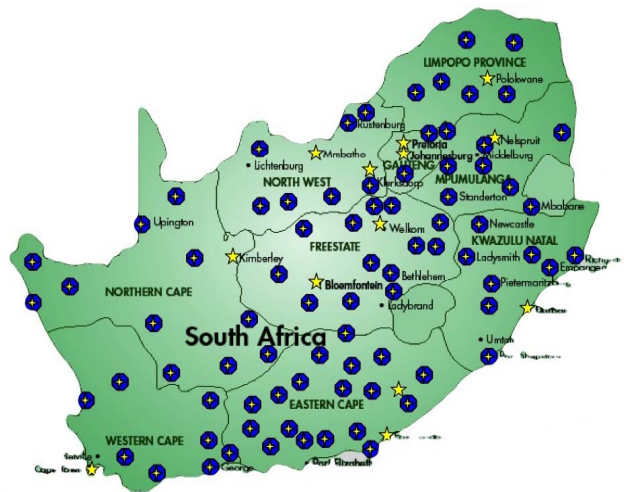
Service offerings



Managed Infrastructure

Managed Support

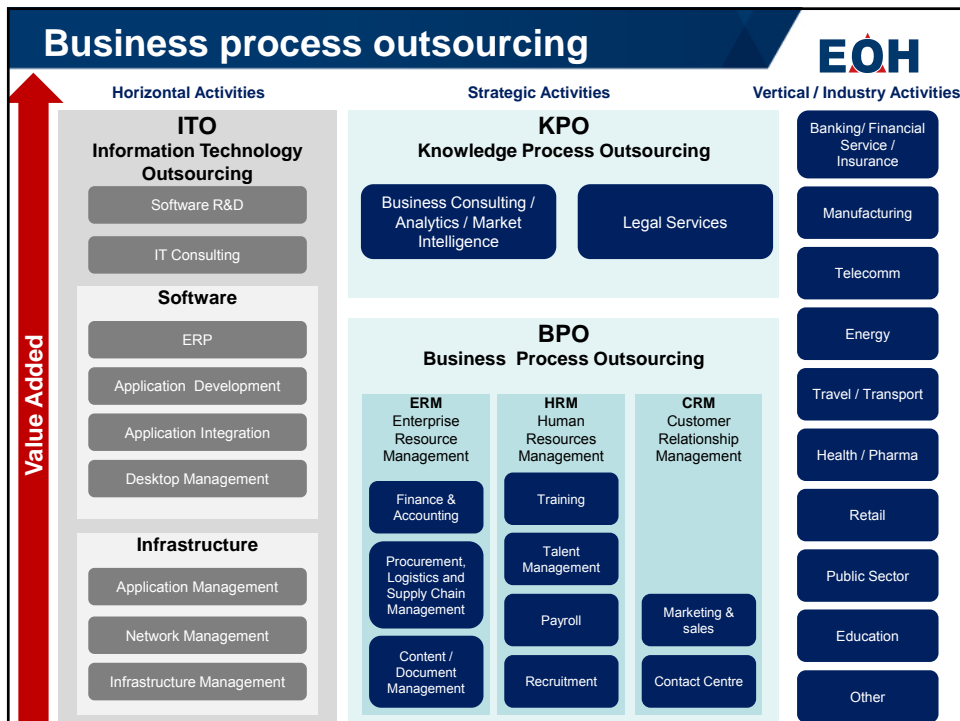
Footprint



94 Points of Presence

770 000 km/month

Johan van Jaarsveld



Growth strategy



- ▲ Grow our Business Process Outsourcing business and leverage the existing
 - Applications
 - Infrastructure
 - Customers

- ▲ Business functional areas:
 - Human Resources Outsourcing
 - Legal Process Outsourcing
 - Healthcare Solutions
 - Educational Services Solutions
 - Cross Enterprise Administration Services

Financial Review

John King



**Condensed Consolidated Statement of Comprehensive Income
for the year to 31 July 2011**



	July 2011 (R'000)	% Change	July 2010 (R'000)	July 2009 (R'000)
Revenue	2 428 973	43,5%	1 692 421	1 235 568
Cost of sales	(1 528 392)		(1 085 309)	(797 421)
Gross margin	<u>900 581</u>		<u>607 112</u>	<u>438 147</u>
Results from operating activities	232 879		147 899	97 893
Investment income	9 157		8 213	10 602
Finance costs	(7 646)		(6 353)	(4 026)
Net impairment of assets	<u>-</u>		<u>-</u>	<u>(353)</u>
Profit before taxation	234 390	56,5%	149 759	104 116
Taxation	<u>(85 986)</u>		<u>(51 980)</u>	<u>(36 528)</u>
Profit for the period	<u>148 404</u>	51,8%	<u>97 779</u>	<u>67 588</u>

**Condensed Consolidated Statement of Comprehensive Income
for the year to 31 July 2011**



	July 2011	% Change	July 2010	July 2009
Total shares in issue ('000)	95 389		79 737	75 817
Weighted average shares in issue ('000)	74 985		66 686	64 477
Total diluted shares in issue ('000)	85 342		73 486	74 221
EPS (cents)	197,9	35,4%	146,2	106,8
Diluted EPS (cents)	173,8	31,0%	132,7	92,8
HEPS (cents)	197,6	35,2%	146,1	108,0
Diluted HEPS (cents)	173,6	30,9%	132,6	93,8

Condensed Consolidated Statement of Financial Position


	July 2011 (R'000)	July 2010 (R'000)	July 2009 (R'000)
ASSETS			
Non-current assets			
Property, plant and equipment	80 320	52 652	37 170
Goodwill and intangible assets	550 355	324 142	199 228
Other financial assets	23 436	25 061	4 217
Deferred taxation assets	38 427	28 749	26 692
Current assets			
Inventories	30 662	10 107	7 873
Trade and other receivables	575 488	394 871	343 455
Cash and cash equivalents	321 507	266 671	206 877
Total assets	<u>1 620 195</u>	<u>1 102 253</u>	<u>825 512</u>

Condensed Consolidated Statement of Financial Position

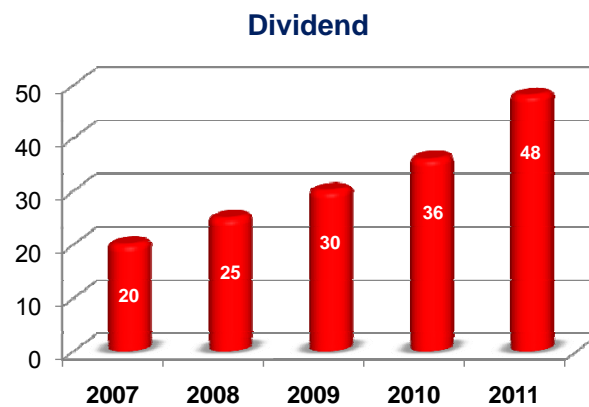

	July 2011 (R'000)	July 2010 (R'000)	July 2009 (R'000)
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent	709 940	464 188	319 346
Non-controlling interest	1 131	(259)	(527)
Total equity	<u>711 071</u>	<u>463 929</u>	<u>318 819</u>
Non-current liabilities			
Finance lease obligations	3 714	174	71
Other financial liabilities	145 988	21 314	20 182
Deferred taxation liabilities	618	4 714	4 703
Current liabilities			
Trade and other liabilities	677 226	521 141	399 353
Deferred revenue	68 261	49 571	41 066
Current taxation payable	13 317	41 410	41 318
Total liabilities	<u>909 124</u>	<u>637 894</u>	<u>506 693</u>
Total equity and liabilities	<u>1 620 195</u>	<u>1 102 253</u>	<u>825 512</u>
Net asset value per share (cents)	744,3	582,2	421,2
Net tangible asset value per share (cents)	167,3	175,6	158,4

Condensed Consolidated Statement of Cash Flows for the year to 31 July 2011



	July 2011 (R'000)	July 2010 (R'000)	July 2009 (R'000)
Net income before tax and separately disclosed items	234 391	149 758	104 116
Non-cash items	84 496	31 838	19 531
Working capital changes	(53 612)	32 534	8 854
Cash generated by operating activities	265 275	214 130	132 501
Investment income	9 157	8 213	10 602
Finance costs	(7 646)	(6 353)	(4 026)
Taxation paid	(129 687)	(55 837)	(22 495)
Dividends paid	(25 223)	(19 109)	(15 253)
Net cash inflow from operating activities	111 876	141 044	101 329
Net cash (outflow) / inflow from investing activities	10 284	(20 567)	19 311
Net cash (outflow) from financing activities	(67 324)	(60 683)	(32 902)
Net cash movement for period	54 836	59 794	87 738
Cash at beginning of period	266 671	206 877	119 139
Cash at end of period	321 507	266 671	206 877

Dividend distribution



- ▲ Dividends distributed at financial year end only
- ▲ Dividend cover : 4

Highlights and The Way Forward

Asher Bohbot



Financial highlights



Revenue

43,5%

To R2,429 bn

PBT

56,5%

To R234,4 m

EPS

35,4%

To 197,9 cents

HEPS

35,2%

To 197,6 cents

Dividends

33,3%

To 48 cents

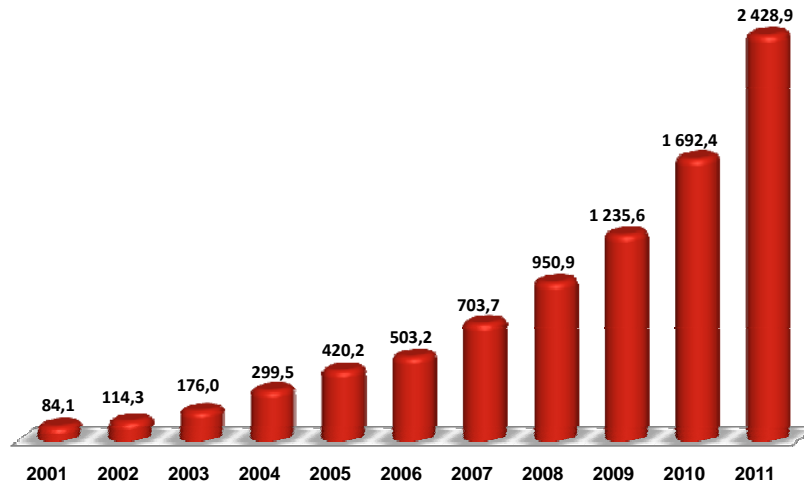
Cash

20,5%

To R321,5 m

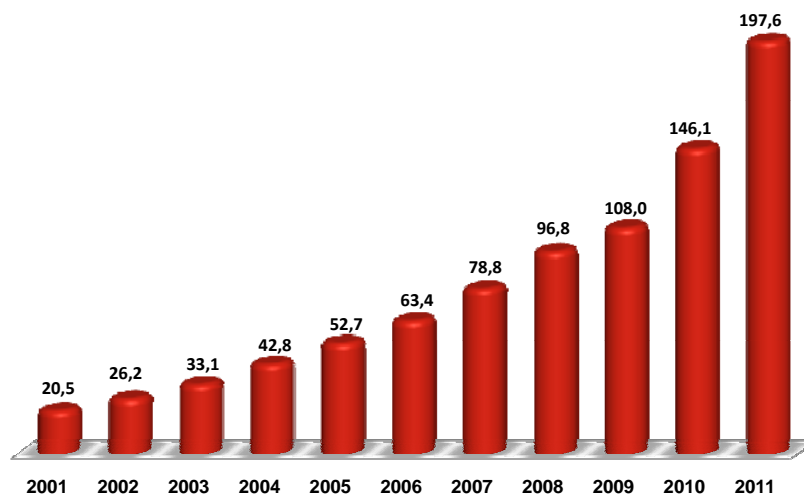
Revenue growth (Rm)

EOH



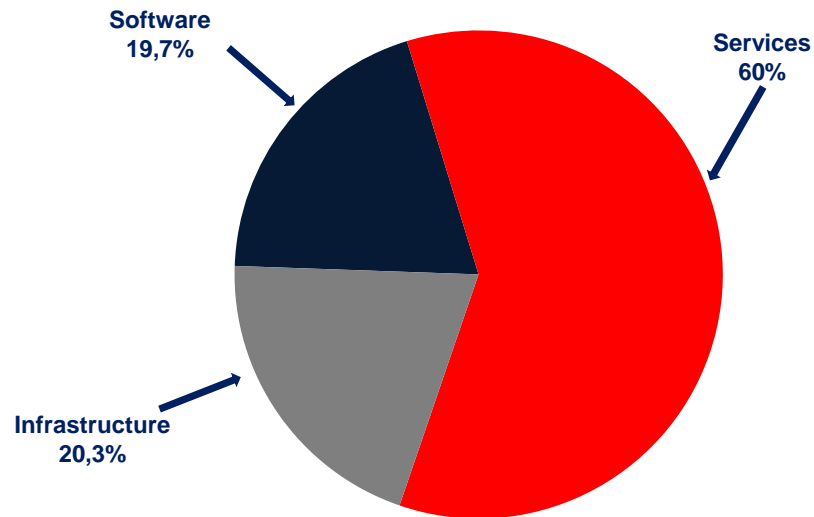
Earnings growth (HEPS – cents)

EOH



Segmental contribution

EOH



EOH philosophy

EOH

▲ Best People

To attract, develop and retain the best people in all our chosen skill sets

▲ Partner for Life

To develop lifelong mutually beneficial partnerships with both our customers and technology partners

▲ Right 1st Time

To ensure excellent, professional planning in all we do

▲ Sustainable Transformation

To transform and manage diversity

▲ Profitable Growth

To grow in a sensible way in the best interest of our shareholders

Transformation update



- **Equity**
30.7% black shareholding
5.1% black women ownership
- **Board representation**
60% black
- **Employment Equity**
53% black
- **Preferential Procurement**
138%
- **Skills Development**
EOH Academy
- **Enterprise Development**
3% of NPAT
- **Corporate Social Investments**
1% of NPAT

The image shows a verification certificate from EMPowerLOGIC. The certificate is for EOH Holdings Limited and Subsidiaries, categorized as a Level 3 Contributor. It includes a table for the Broad Based Black Economic Empowerment (BBBEE) score, which is 138%. The certificate also lists the company's registration number (1982404009), VAT number (418020019), and address (10 Oxford Lane, South Africa). It features logos for SANEDI, ABVA, and SANAS.

BBBEE Score Level	Level 3	All Performance Indicators
Ownership	100%	100%
Skills Development	138%	138%
Enterprise Development	3%	3%
Preferential Procurement	138%	138%
Supplier Development	138%	138%
BBBEE Score	138%	138%

Financial and market position



- ▲ Strong financial position
- ▲ 40% + growth over 13 years
- ▲ 3 200 people
- ▲ Recognition as a leading IT and Business services provider
- ▲ Strong brand
- ▲ Great people, strong management
- ▲ Strong value system
- ▲ Healthy, positive work environment
- ▲ Entrepreneurial business model

Our industry



- ▲ Sizable IT industry R75B – growing at 7.5%
- ▲ IT spending is growing
- ▲ Major move from in-house to IT service providers
- ▲ Cloud is creating new and exciting opportunities
- ▲ Bandwidth is available, major enabler
- ▲ Everything as a service (EAAS) is here
- ▲ Industry consolidation
- ▲ Telco's entering into commodity space
- ▲ Convergence of technology and services

FY 2012 drivers for growth



- ▲ One EOH Brand – great enabler
- ▲ Managed services / Cloud computing
- ▲ Aggressive focused go-to-market strategy
- ▲ BPO expansion
- ▲ Security business
- ▲ Invensys business
- ▲ Facilities management business
- ▲ Public sector growth
- ▲ Africa opportunities
- ▲ Acquisitions

▲
Supported by a strong
agenda of people and
transformation

EOH job creation initiative



- ▲ 8m people unemployed – 8m potential clients
- ▲ Government alone cannot take responsibility
- ▲ Business needs to provide leadership and do more
- ▲ We need to bring back off-shored jobs and do more off-shoring
- ▲ EOH is forming a team that will work with our top 300 clients and Business Partners to devise ways and means to:
 - Generate ideas and meaningful plans
 - Develop and train young people, new skill = new job
 - Work jointly with Government Departments in mobilising existing and new job creation initiatives

▲
**Business needs to lead
and get actively
involved in South Africa**



Thank You



Systems make it possible...
People make it happen

www.eoh.co.za