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Systems make it possible...
People make it happen

EOH Interim Results 2013

12th March 2013



- ▲ EOH Overview
- ▲ Enterprise Applications
- ▲ Infrastructure Technologies
- ▲ Industrial Technology
- ▲ Business Process Outsourcing
- ▲ Financial Results Highlights
- ▲ Strategy and Way Forward

EOH Overview



- ▲ To provide technology, knowledge, skills and organisational ability, critical to Africa's development and growth
- ▲ To be an ethical, relevant force for good and to play a positive role in our society, beyond normal business

▲ **Best people**

To attract, develop and retain the best people

▲ **Partner for life**

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

▲ **Right 1st time**

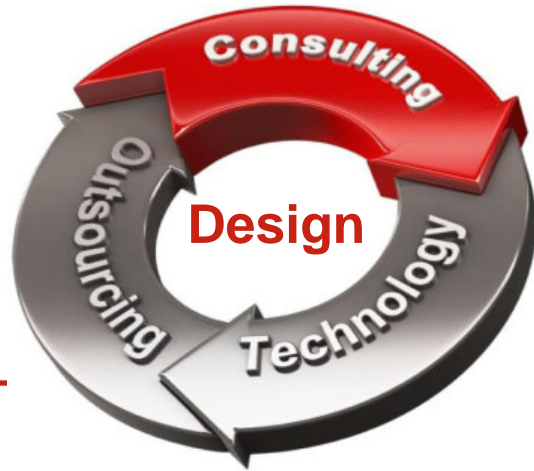
To ensure excellent professional planning and execution and have pride in all we do

▲ **Sustainable transformation**

To transform and manage diversity

▲ **Profitable growth**

To grow top and bottom line similarly whilst remaining entrepreneurial



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



- Enterprise applications
- Information management
- Information security
- IT management & optimisation
- Software development & integration
- Enterprise content management
- Digital



- Transformational outsourcing
- Cloud computing
- Managed services
- IT infrastructure
- Rightshoring
- Industrial technology
- Business process outsourcing
- Human capital development

Points of presence



Public sector



Mining



Manufacturing



Health



Telecommunications



Retail



State owned entities



Financial services



Enterprise Applications



- ▲ EOH is the largest implementer of enterprise systems and custom applications in Southern Africa
- ▲ Over 1 000 ERP professionals
- ▲ We have the largest footprint in Southern Africa for:

- SAP
- Microsoft
- Oracle
- Infor
- Syspro

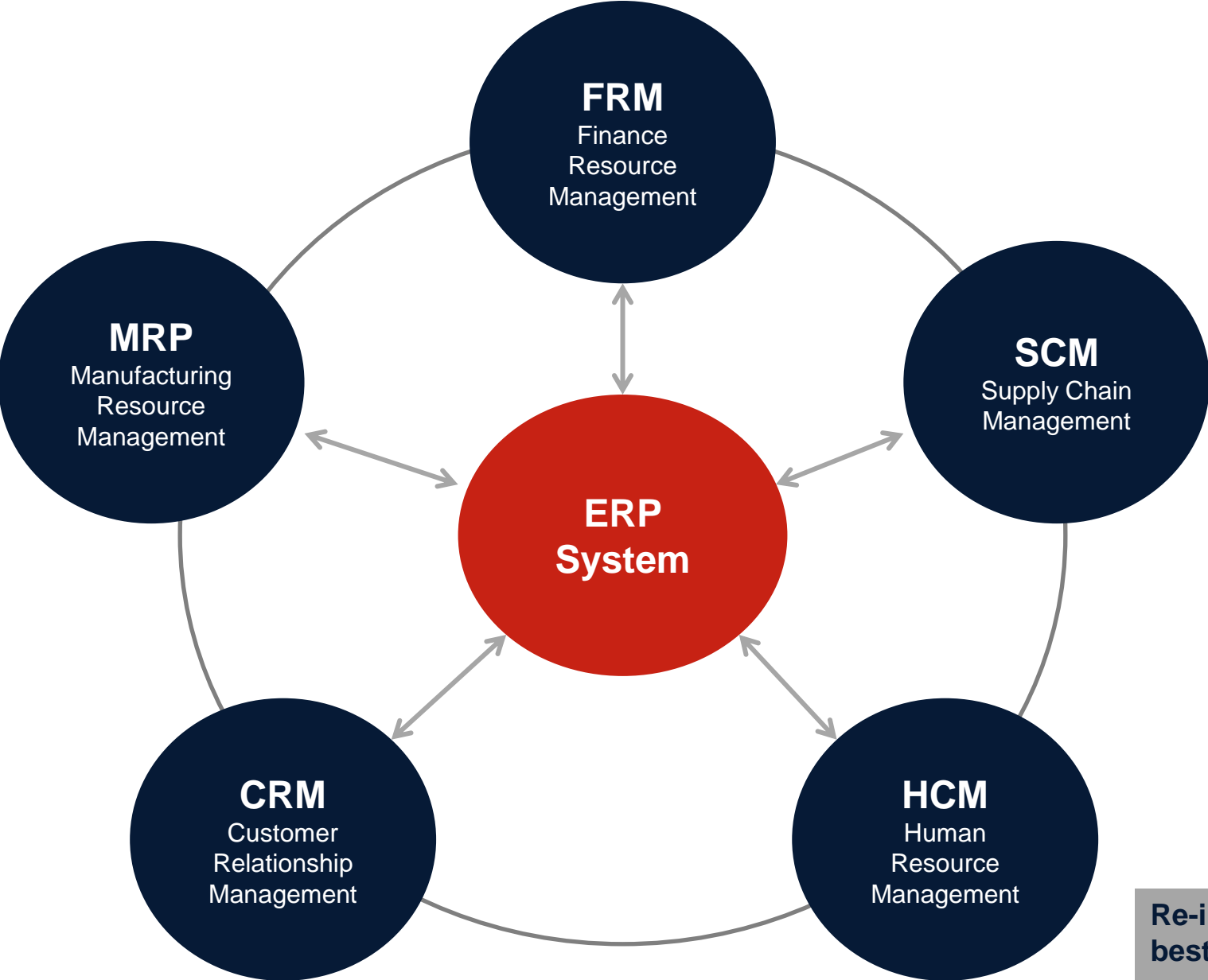


Microsoft[®]

ORACLE[®]

INFOR[™]





Re-invents your business with best practice process management

Infrastructure Technologies



- ▲ Upgrade of Infrastructure Technologies (Design, Build, Optimise and Manage)
 - New architecture adoption (Cloud and Virtualisation)
 - Desktops, laptops and servers
 - Active Directory and Exchange (email)
 - Archiving and retrieval of email
 - Upgrading LAN's
 - Cost effective WAN solutions
 - Increasing service levels and efficiencies
- ▲ Development of bespoke business systems to meet change in business needs
 - Business and mobility solutions
- ▲ Optimisation of applications over networks
- ▲ Utilise new technologies
 - Virtualisation & Cloud services
- ▲ Pay-as-you-are – as a service

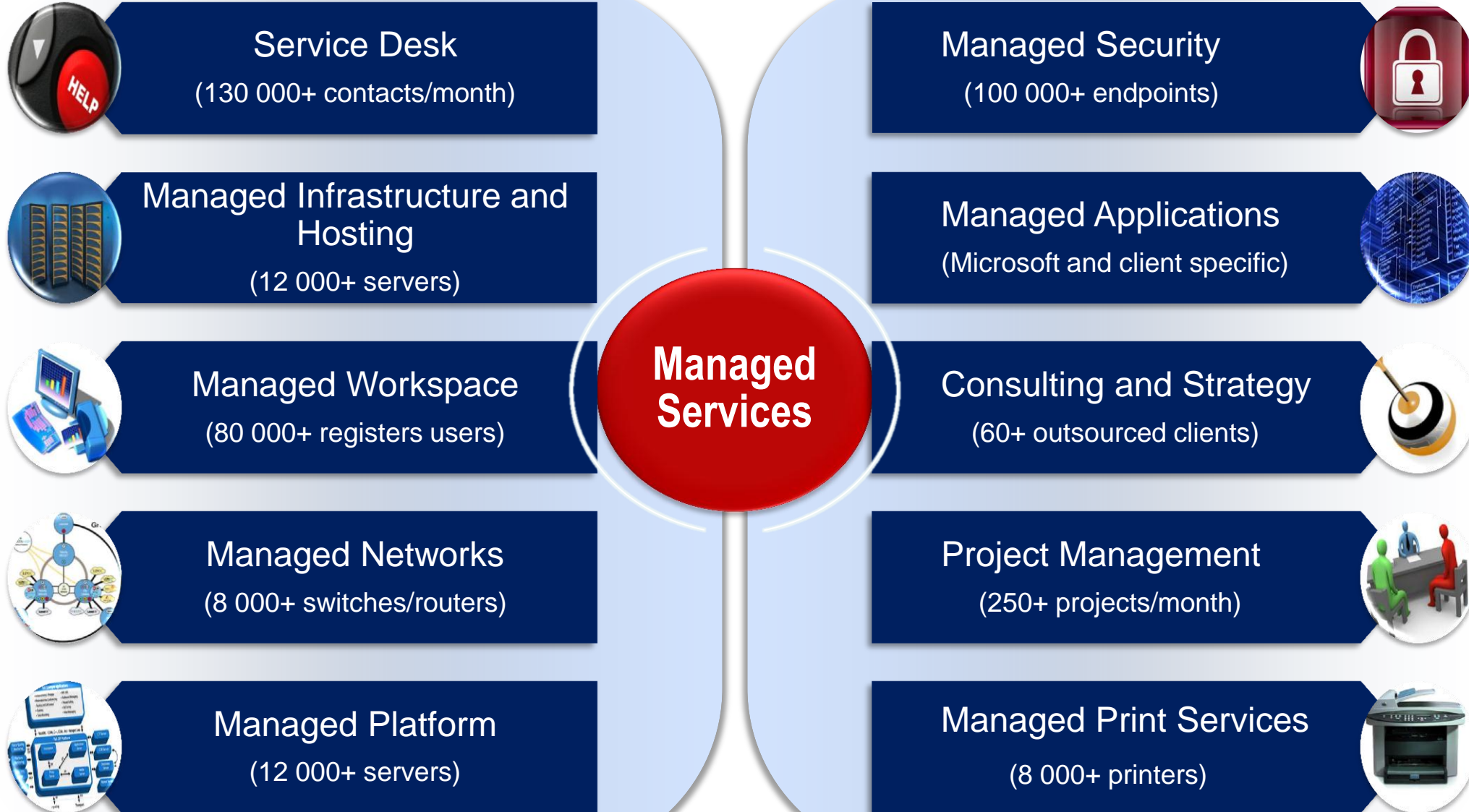
Cloud Technology Consulting

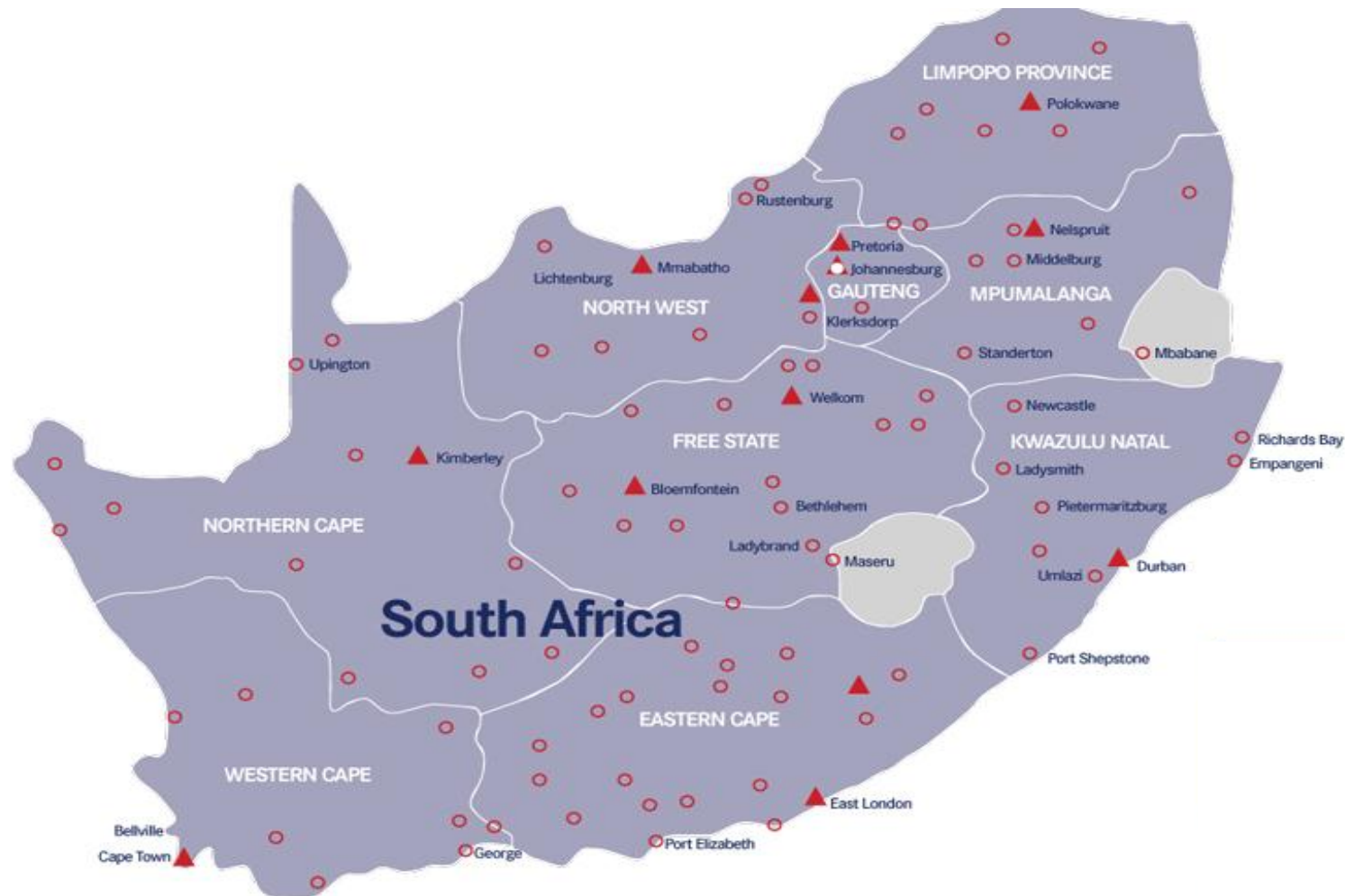
Application Optimisation & Security

Infrastructure as a Service (IaaS)	Platform as a Service (PaaS)	Platform Applications (SaaS)	Enterprise Applications (SaaS)
✓ Servers	✓ Hosting	✓ Mail – Hosted	✓ ERP & CRM
✓ Storage	✓ Data Archiving	✓ Mail – Archiving	✓ HR & Payroll
✓ Network	✓ Unified Comms	✓ Web Security	✓ Business Intelligence
✓ Computing	✓ Hosted PABX	✓ Online Backup	✓ Application Dev.

Service Management Platform

Disaster Recovery Platform





Over 100 points of presence

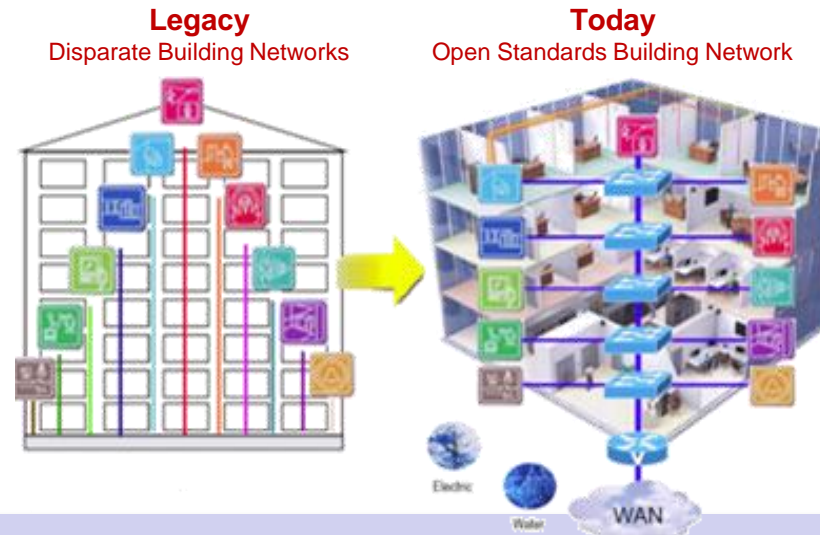
1 600+ employees



Industrial Technology

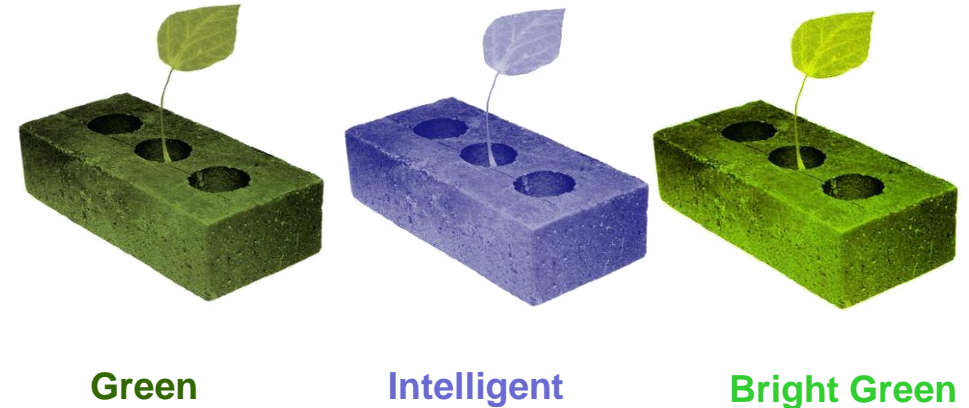


Convergence



- Increased role of the network infrastructure as the converged ITS (Information Transport System)*
- Explosion of mobile devices for connecting to the LAN/WAN (Smartphones, Tablets, CCTV)
- Proliferation of devices on the LAN e.g. security devices, lighting & energy control, A/V applications
- Demand for bandwidth continues to increase at exponential rates
- Cloud computing and video as the “killer app” in both the professional and personal/social realms. Expected to drive bandwidth demand

Green Infrastructures







- Green environmentally relevant designs are gaining importance
- Green issues dominate the global data centre market with the focus on reducing carbon footprints and environmental damage
- Smart-buildings coming to the fore with the convergence of intelligent and green buildings
- Hosting and co-location growing markets increasing demands on data centres
- Rising electricity costs changing the dynamics of the DC market
- Energy efficient & environmentally friendly industrial plants

*Source: Frost & Sullivan, 2010

▲ **Industrial Technology** combines state-of-the-art technology and best practice to create facilities that are smart, safe, healthy and secure by:

- Creating optimum working and living conditions
- Ensuring sustained protection of people and assets
- Enhancing comfort, efficiency, availability, and security
- Lowering energy consumption and CO₂ emissions

 Converged connectivity	 Data centres	 Safety & security solutions	 Automation and control
<ul style="list-style-type: none">• Integrated data, voice & video networks• Corporate campus data networks• Structured cabling, fibre optics and networking• Metropolitan broadband networks• Wireless networks	<ul style="list-style-type: none">• Full turn-key design, build, maintainence• HV A/C systems• Backup power solutions• Off-grid DC solutions• Mobile containerised DC solutions	<ul style="list-style-type: none">• Monitoring and surveillance• Access control• Biometric identity management• Time and attendance• Smart card solutions• Fire safety: prevention, detection & suppression• Asset management & tracking	<ul style="list-style-type: none">• Automation & control systems• Building automation• Building management systems• Integrated security• Electrical infrastructure• Energy management• Audio-visual solutions• Intelligent green infrastructures• Backup power

Business Process Outsourcing



- ▲ Knowledge process outsourcing (KPO) is a term that has emerged to distinguish a specific type of BPO that involves highly skilled professional services focused on business processes that provide competitive advantage
- ▲ Requires specialised knowledge or expertise for analytical, industry domain expertise
- ▲ Offerings often include knowledge works, specific assets in the form of intellectual property, and methodologies, tools, process accelerators and business process approaches designed to drive differentiated business value
- ▲ Outsourcing of knowledge and information-based crucial processes has several advantages. Experienced and equipped KPO companies cannot only reduce risks but also save costs for clients

Business Process Outsourcing



Vertical Industry Activities

Banking / Financial Service / Insurance

Manufacturing

Telecommunication

Energy

Travel / Transportation

Health / Pharma

Retail

Public Sector

Education

Other

Strategic Activities

KPO

Knowledge Process Outsourcing

Business Consulting / Analytics / Market Intelligence

Legal Services

BPO

Business Process Outsourcing

ERM

Enterprise Resource Management

Finance & Accounting

Procurement, Logistics and Supply Chain Management

Content / Document Management

HRM

Human Resources Management

Training

Talent Management

Payroll

Recruitment

CRM

Customer Relationship Management

Marketing & Sales

Contact Centre

Horizontal Activities

ITO

Information Technology Outsourcing

Software R&D

IT Consulting

Software

ERP

Application Development

Application Integration

Desktop Management

Infrastructure

Application Management

Network Management

Infrastructure Management

Value Added

Financial Results Highlights



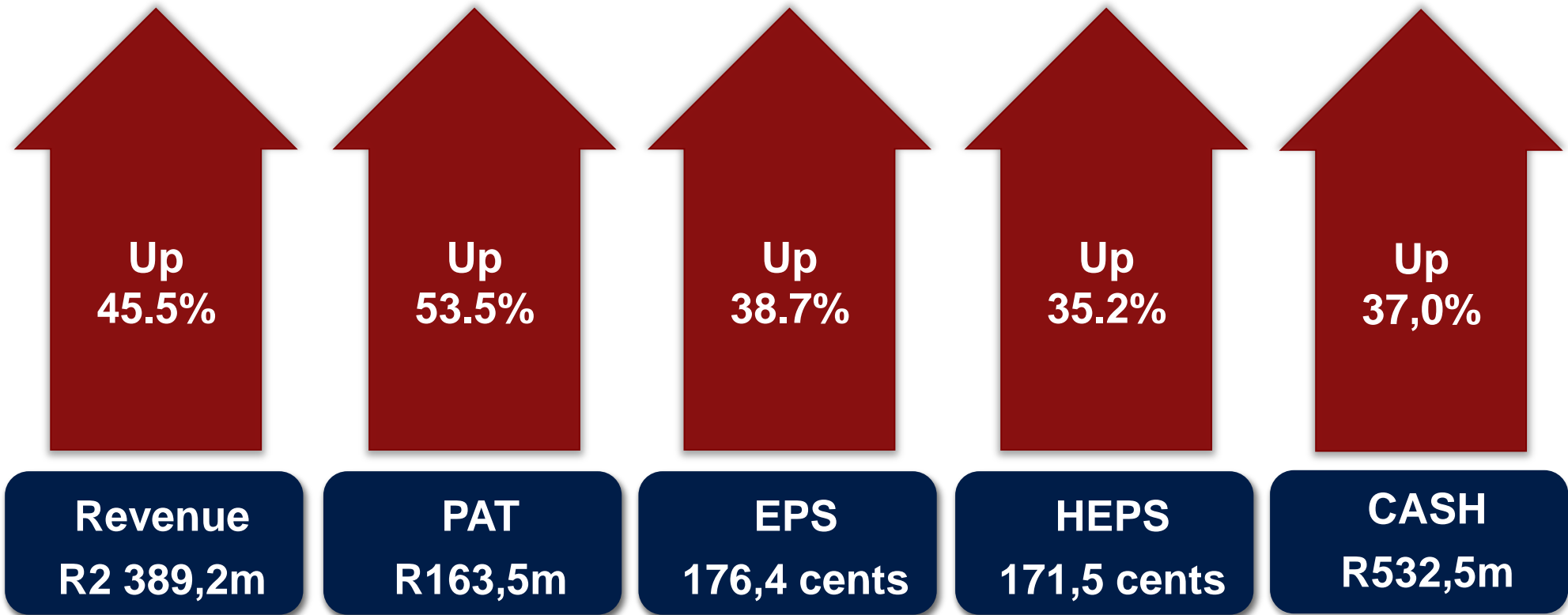
	31 Jan 2013 (R'000)	31 Jan 2012 (R'000)	% Change
Revenue	2 389 185	1 642 339	45.5%
Cost of sales	<u>(1 392 060)</u>	<u>(925 598)</u>	
Gross margin	<u>997 125</u>	<u>716 741</u>	
Results from operating activities	247 733	175 478	
Investment income	9 479	7 313	
Finance costs	(20 209)	(11 777)	
Profit from equity accounted	-	46	
Impairment of assets	<u>-</u>	<u>(1 907)</u>	
Profit before taxation	237 003	169 153	
Taxation	<u>(73 476)</u>	<u>(62 636)</u>	
Profit for the period	<u>163 527</u>	<u>106 517</u>	53.5%

	31 Jan 2013	31 Jan 2012	% Change
Total shares in issue ('000)	106 045	96 610	
Weighted average shares in issue ('000)	92 684	83 708	
Total diluted shares in issue ('000)	102 338	95 216	
EPS (cents)	176,4	127,2	38,7%
Diluted EPS (cents)	159,8	111,8	42,9%
HEPS (cents)	171,5	126,9	35,2%
Diluted HEPS (cents)	155,3	111,5	39,3%

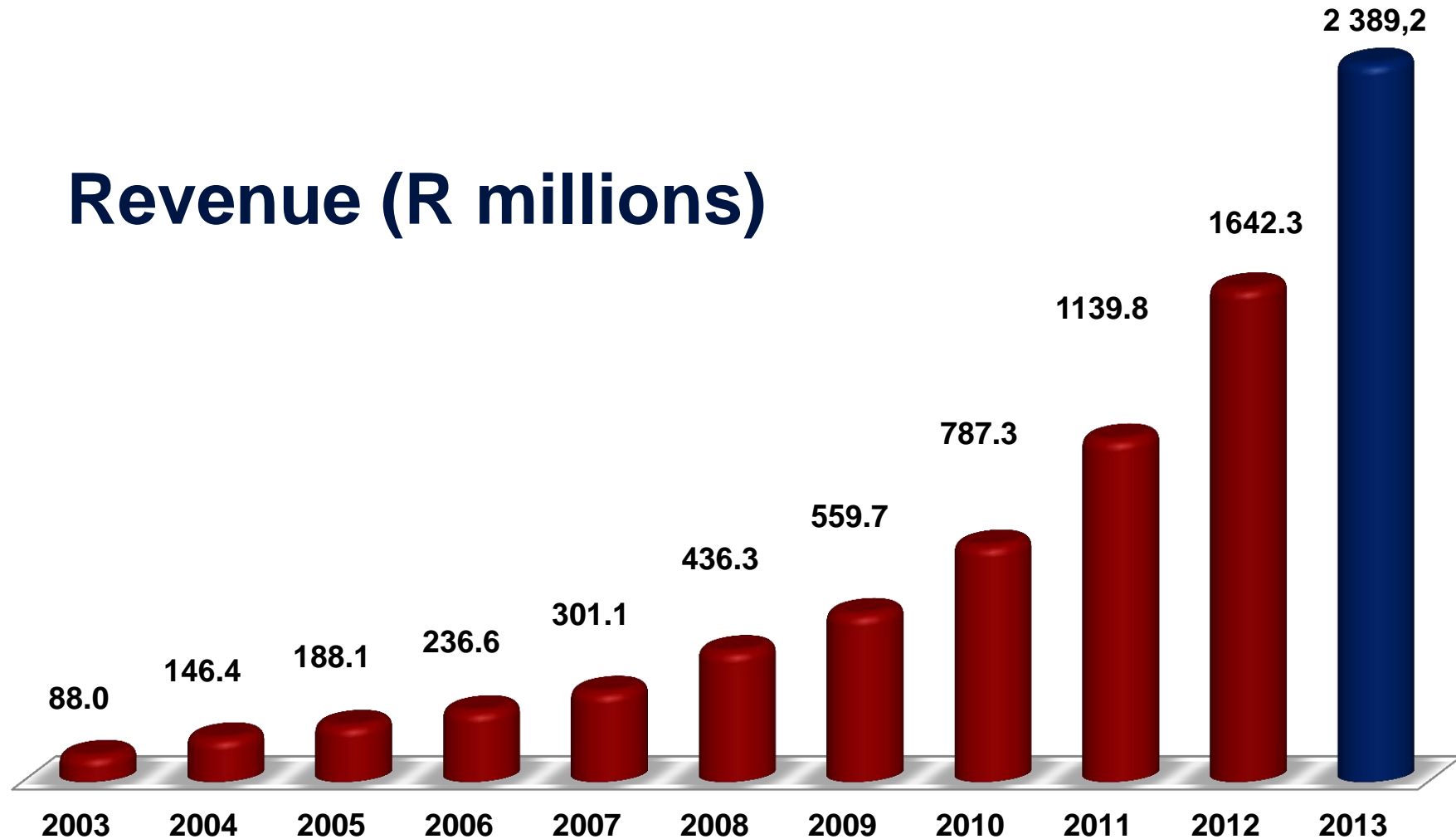
ASSETS	Interim 31 Jan 2013 (R'000)	Interim 31 Jan 2012 (R'000)	Annual 31 Jul 2012 (R'000)
Non-current assets			
Property, plant and equipment	209 258	99 985	183 856
Investment properties	2 872	-	2 872
Goodwill and intangible assets	950 695	610 004	801 497
Investment in associated companies	-	1 048	-
Finance lease obligations	49 336	33 947	36 447
Other financial assets and receivables	14 550	15 267	16 203
Deferred taxation assets	92 008	37 000	90 008
Current assets			
Inventories	55 315	28 540	39 401
Finance lease receivables	36 971	21 748	26 360
Other financial assets	24 260	9 476	15 625
Trade and other receivables	1 003 557	660 272	809 429
Trade receivables	931 521	640 695	783 468
Other receivables	72 036	19 577	25 961
Current tax receivable	68 473	44 799	37 493
Cash and cash equivalents	532 513	388 754	451 867
Total Assets	3 039 808	1 950 840	2 511 058

	Interim 31 Jan 2103 (R'000)	Interim 31 Jan 2012 (R'000)	Annual 31 Jul 2012 (R'000)
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent	1 303 806	921 256	1 128 438
Non-controlling interest	1 431	51	1 400
Total equity	<u>1 303 237</u>	<u>921 307</u>	<u>1 129 838</u>
Non-current liabilities			
Finance lease obligations	2 361	631	2 748
Other financial liabilities	311 835	239 161	271 768
Deferred taxation liabilities	53 698	7 244	50 786
Current liabilities			
Trade and other liabilities	1 130 728	653 691	906 750
Deferred revenue	172 473	88 536	107 565
Current taxation payable	65 476	40 270	41 603
Total equity and liabilities	<u>3 039 808</u>	<u>1 950 840</u>	<u>2 511 058</u>
Net asset value per share (cents)	1 227,6	953,6	1 118,7
Net tangible asset value per share (cents)	331,1	322,2	324,1

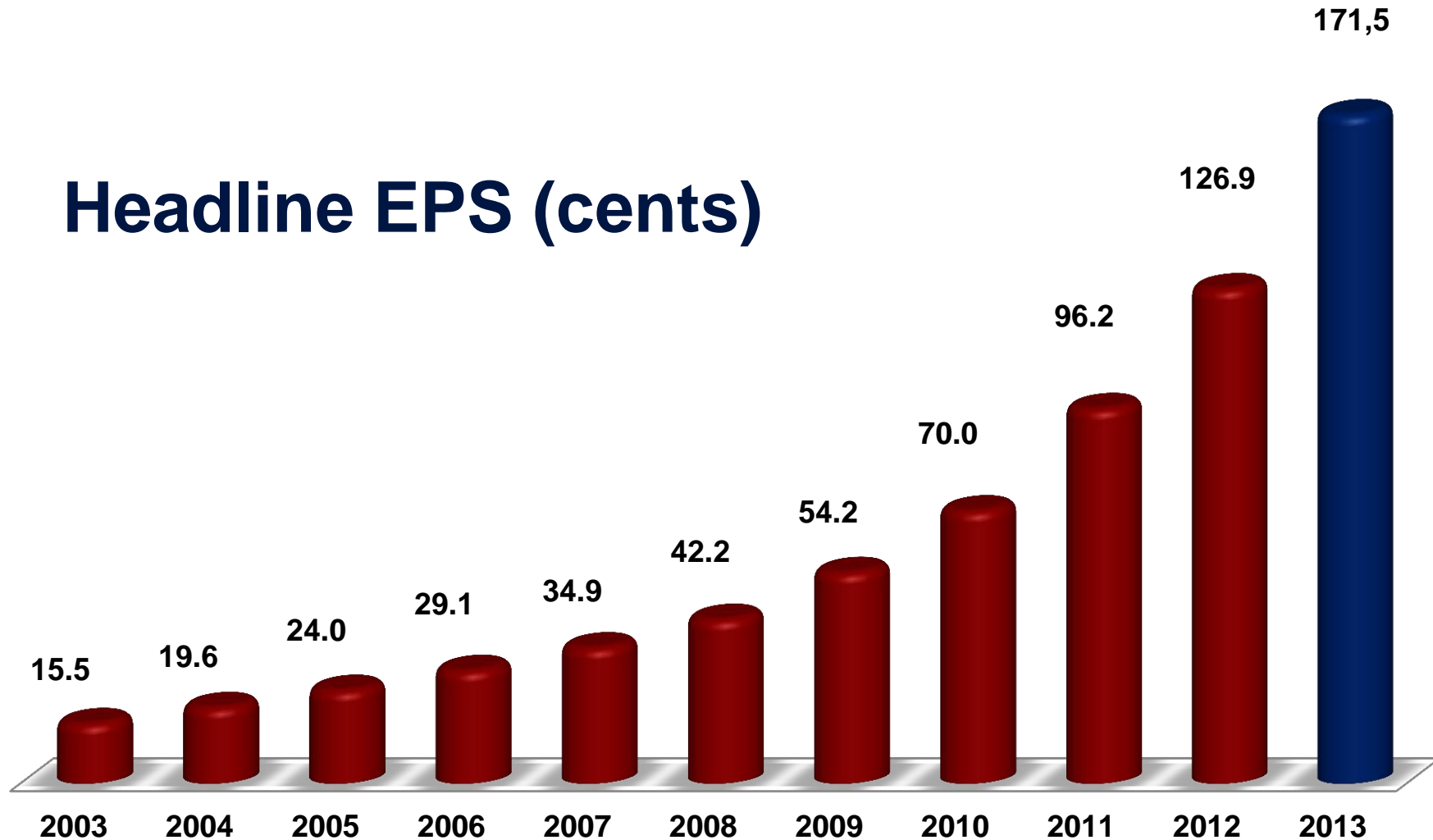
	31 Jan 2013 (R'000)	31 Jan 2012 (R'000)
Cash generated by operating activities	285 076	166 570
Investment income	9 479	7 313
Finance costs	(20 209)	(11 777)
Taxation paid	(77 803)	(78 626)
Net cash inflow from operating activities	196 543	83 480
Net cash (outflow) from investing activities	(22 375)	(101 603)
Net cash (outflow) / inflow from financing activities	(93 522)	85 370
Net cash movement for period	80 646	67 247
Cash at beginning of period	451 867	321 507
Cash at end of period	532 513	388 754
Cash at 31 July 2012		451 867

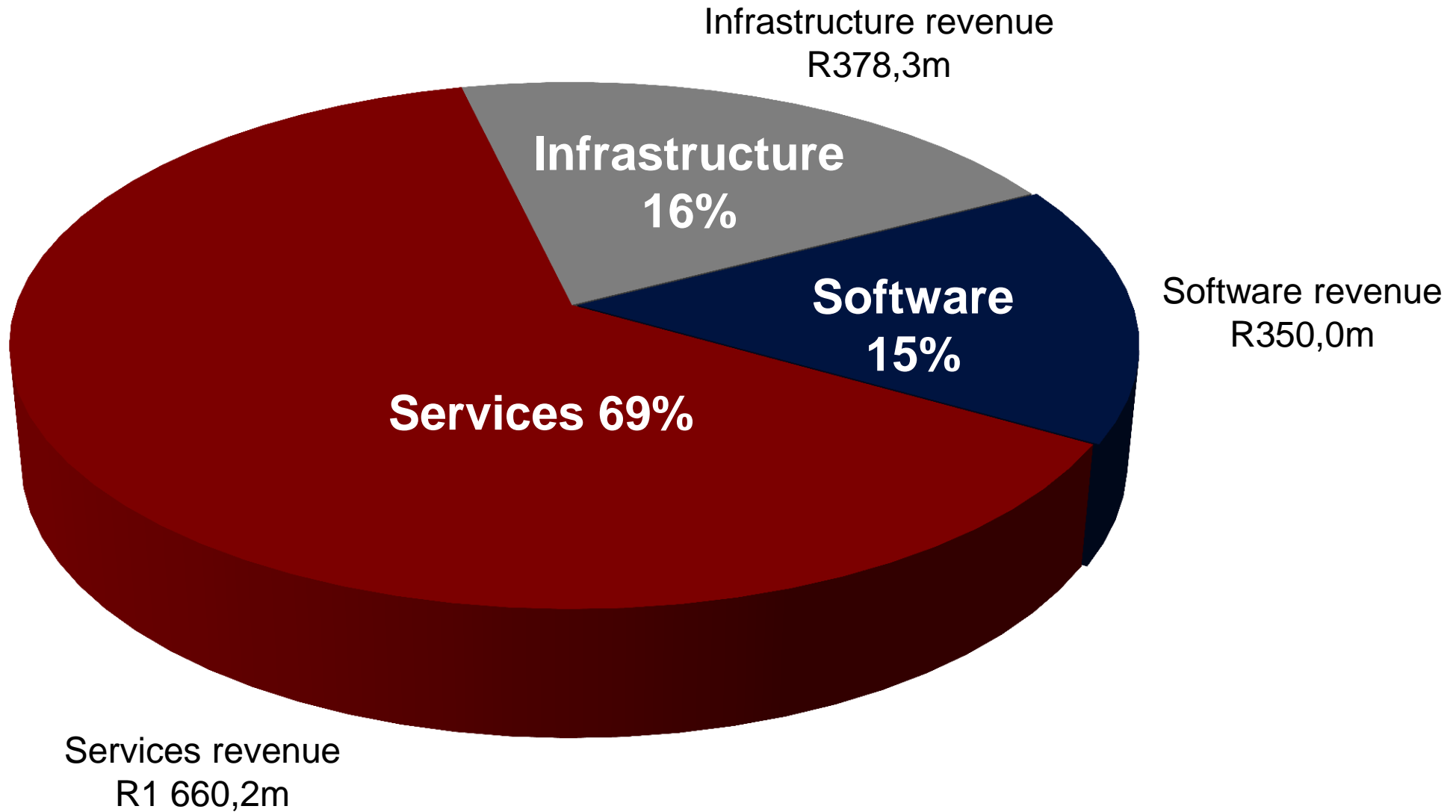


Revenue (R millions)



Headline EPS (cents)





Strategy and Way Forward



- 6 000 People
- Management and staff own around 40% of the company
- R4.7bn market cap
- Around R5.0bn revenue
- Strong service growth
- Expansion in Infrastructure Technology
- Very strong BPO growth
- Winning much larger deals
- Often automatically invited to bid
- Healthy, stable, positive work environment
- Gaining market share
- Strong brand
- Ability to retain and attract best people
- We are very busy

- Generally the industry is healthy
- Roles of players are changing
- Services is the name of the game
- Strong drive for managed services & cloud services
- Customers seeking larger players to do business with
- Still growing at 7% p.a.
- Customers want to buy wider solutions vs. point solutions
- Strong growth in mobile & digital environments – customer specific
- Convergence everywhere
- BPO still evolving in South Africa & Africa
- Public sector needs to spend substantially on technology infrastructure & applications
- The market is consolidating (active M&A)
- Positive future prognosis

- Everything as a service
- Client solutions
- Mobile & digital world
- Public sector
- Cloud services
- Managed services
- Enterprise applications – major differentiator
- Information management
- Industrial technology
- Business process outsourcing
- Larger deals
- Strategic and key account management
- Market share gain
- Africa
- Strategic acquisitions

▲ Equity

34.62% black ownership

▲ Board Representation

60% black

▲ Employment Equity

59% black

▲ BEE Procurement Recognition

156%

▲ Skills Development

Variety of programmes

620 trainees

▲ Enterprise Development

6% of NPAT

▲ Corporate Social Investments

Job Creation Initiative

Maths Centre

The Child and Youth Dev. Programme

Various other initiatives

EMPOWERLOGIC
Your Logical Empowerment Solution

Broad Based Black Economic Empowerment Verification Certificate

A Consolidated Verification Certificate Issued to

EOH Holdings Limited and its Subsidiaries

Level 2 Contributor

Measured Entity (Full List of Entities Listed on Page 2 of Certificate)		
Company Name	EOH Holdings Limited and its Subsidiaries	
Registration Number	1998/014869/06	
VAT Number	4180202386	
Address	Block D, Gillooly's View Office Park 1 Osborne Lane Bedfordview 2007	

BEE Status		
BBBEE Status Level	Level 2	
Element Points Obtained	EO: 21.92 points; MC: 9.26 points; EE: 3.38 points; SD: 10.22 points; PP: 19.15 points; ED: 11 points; SED: 12 points	
Black Ownership	34.62% Black Ownership; 7.3% Black Women Ownership	
Value Adding Vendor	Yes	
BEE Procurement Recognition	156%	
Issue Date	12/11/2012	
Expiry Date	11/11/2013	
Certificate Number	ELC3464GENBBICT	
Version	Final	
Applicable Scorecard	ICT - Generic	
Applicable BBBEE Codes	ICT Code Gazetted on 6 June 2012	

BEE Procurement Recognition Levels		
Level	Qualification	%
1	≥ 100 Points	156%
2	≥ 85 but < 100	125%
3	≥ 75 but < 85	110%
4	≥ 65 but < 75	100%
5	≥ 55 but < 65	80%
6	≥ 45 but < 55	60%
7	≥ 40 but < 45	50%
8	≥ 30 but < 40	10%
Non-Compliant		< 30 0%

SANAS Accredited

EmpowerLogic (Pty) Ltd
Reg. No. : 1995/000523/07
BBBEE Verification Agency

Per E Ackroyd CA(SA)
Member - Verification Committee

BVA018

Enquiries

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verification@empowrlogic.co.za

www.empowrlogic.co.za

This certificate is the result of an independent and impartial verification of the BBBEE status of the measured entity measured against the Codes of Good Practice on Broad Based Black Economic Empowerment. The objective of our verification is to verify the validity and accuracy of the BBBEE status represented by the measured entity. EmpowerLogic is not responsible for ensuring completeness of information provided to support the BBBEE status.

EOH operating model



Category	Lines of Business	Public Sector	Health	Financial Services	Manufact.	Mining	Telco's	Retail
Consulting – core industry								
Technology	Technology Consulting							
	Enterprise Applications							
	Information Management							
	IT Security							
	IT Management & Optimisation							
	Enterprise Content Management							
	Software Development & Integration							
	Transformational Outsourcing							
	Cloud Services							
	Managed Services							
	IT Infrastructure							
	Converged Communications							
	Intelligent Infrastructure							
Technology Rightshoring								
Business Process Outsourcing	Finance and Accounting							
	Corporate Legal Services							
	Customer Services							
Human Capital Solutions	Recruitment							
	Remuneration							
	Legal							
	Organisational Design							
	Employee Benefits							
	Training							

Objective

- EOH is committed to the creation of sustainable employment opportunities in South Africa
- Aimed at stimulating job creation by interacting with our customers, business partners and government

Focus areas

- Internships and training programmes
- Repatriation of jobs off-shored to other countries
- Working with government to mobilise business to take advantage of government incentive schemes for job creation
- Encourage business to invest more in SA

EOH specific

- Specific function in EOH for this purpose
- 300 graduates on internship
- 320 school learners on learnership



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Systems make it possible...
People make it happen

Thank you

