



INVESTORS PRESENTATION MARCH 2012

Excellent Learning • Uitnemende Leer

CURRO HOLDINGS LTD

DISCLAIMER

Users are advised that to the extent that any statement in this presentation constitutes a profit forecast, same has not been reviewed nor reported on by the company's auditors.



**CURRO
DEVELOPS, ACQUIRES
AND MANAGES
PRIVATE SCHOOLS IN
SOUTH AFRICA**



CURRO'S PROFILE

- 13 year operating history
- Growing company in a growing sector
- Non-cyclical business
- Shareholder of reference in PSG (63%)
- Listed on the JSE (R1,7bn market cap)
- Rights issue of R322 m (July 2011)



SHAREHOLDING

PSG Group	63%
Directors and Management	15%
Other	22%
	<hr/>
	100%
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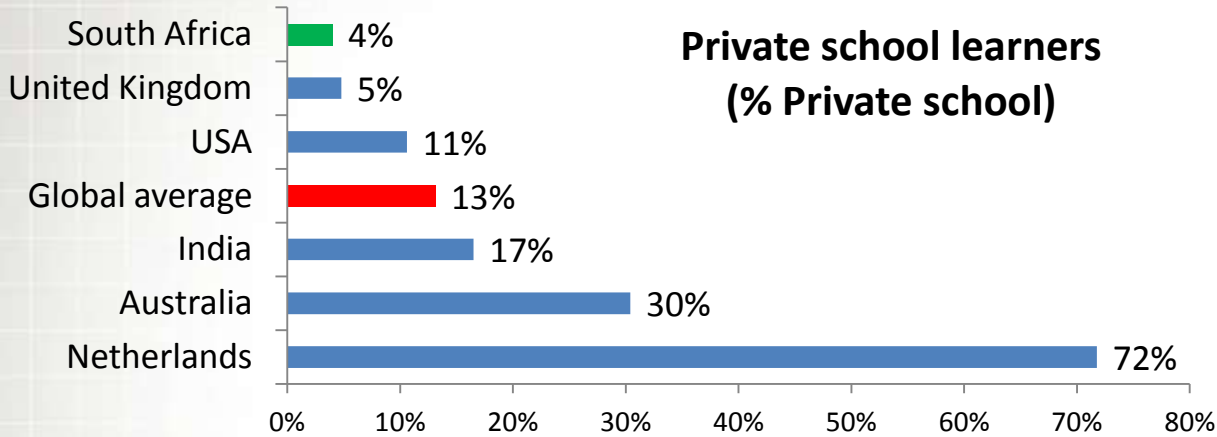




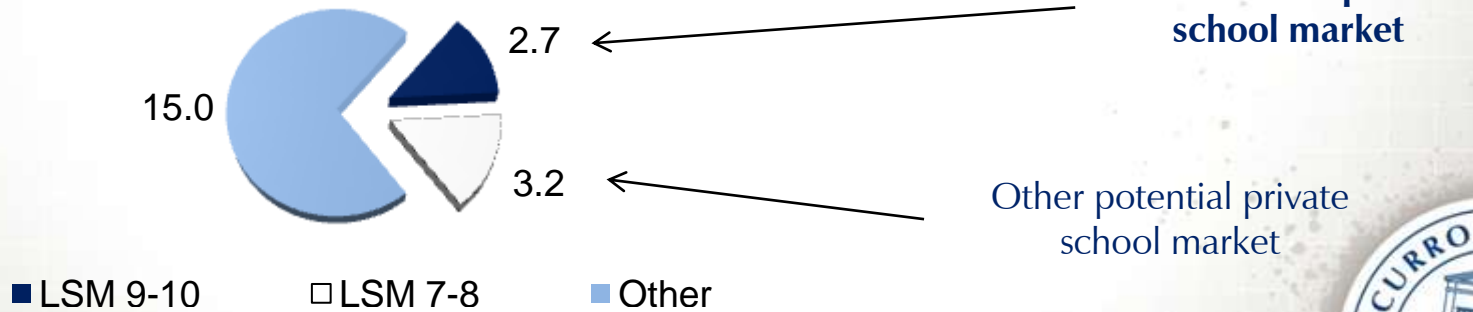
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INDUSTRY

SCHOOL MARKET SIZE AND POTENTIAL



SA: Population of Age 0-19 (m)



SCHOOLS

GOVERNMENT

25 000 schools
11.9m learners

PRIVATE/INDEPENDENT SCHOOLS

1 100 registered (+-3 000 unregistered)
366 000 registered learners

CURRO

19 schools
11 600 learners

ESTATE SCHOOLS

1 school
1 200 learners

CURRO TRADITIONAL

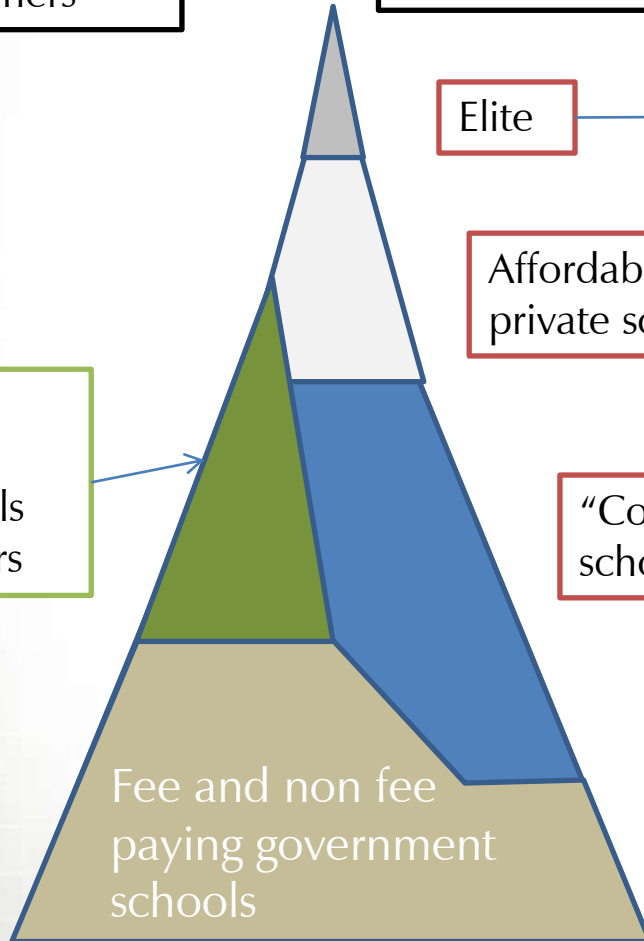
15 schools
9 300 learners

MERIDIAN SCHOOLS

3 schools
1 200 learners

Model C schools

5 145 schools
2.4m learners



Elite

Affordable
private schools

"Community
schools"



SCHOOL EDUCATION IN SOUTH AFRICA

- Government schools are overcrowded
- Ex-model C schools are good but increasingly under pressure
- No new schools built in affluent areas
- Elite and expensive private schools
- Smaller Private schools with limited facilities and expansion potential
- Curro





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THE COMPANY

THE MODELS

- Traditional (R2 000 – R3 000 pm)
 - English or Parallel medium/Dual medium
 - Small Classes (<20 per class, max 25)
 - Disciplined environment, Christian Ethos
 - Balance between academic, sport & cultural activities
 - Emphasis on Computer Technology
 - Personal developmental plan
 - IEB
- Estate schools (R4 000 – R5 000 pm)
 - Superior facilities, location and convenience
 - Extended subject choices and co-curricular activities
 - IEB
- Meridian schools (R800 – R1 500 pm)
 - Bigger classes (35 learners)
 - Limited subject choices and co-curricular activities
 - Government exam



IT'S ALL ABOUT RESULTS

- 220 Curro metrics
- 100% pass 80% exemption.
- Average of 64%.
- Emphasis on Maths and Science
- Regular international benchmark testing



CURRO CAMPUSES



CURRO CAMPUSES



WESTERN CAPE // DURBANVILLE

15



YEAR	LEARNERS
2005	775
2006	910
2007	947
2008	981
2009	1029
2010	1120
2011	1195
2012	1232

Land (ha)	5.8
Buildings (m ²)	12 000



WESTERN CAPE // LANGEBAAN



YEAR	2007	2008	2009	2010	2011	2012
LEARNERS	160	328	460	587	679	725

Land (ha)	8.2
Buildings (m ²)	6 900



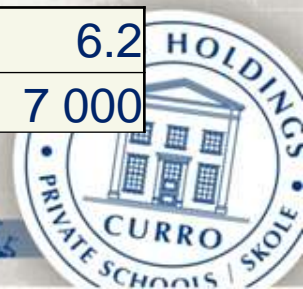
GAUTENG// PRETORIA //HAZELDEAN



Y/e 31 Dec 2010	2008	2009	2010	2011	2012
LEARNERS	333	570	674	713*	870*

Land (ha)	6.2
Buildings (m ²)	7 000

* Excludes High School learners moved to Hazeldean College



GAUTENG// PRETORIA // ROODEPLAAT

18



YEAR	2010	2011	2012
LEARNERS	331	444	620

Land (ha)	7.0
Buildings (m ²)	6 500



GAUTENG// JHB // SERENGETI



YEAR	2010	2011	2012
LEARNERS	33	88	580

Land (ha)	10.7
Buildings (m ²)	4800



GAUTENG// PRETORIA //HAZELDEAN COLLEGE



YEAR	2011	2012
LEARNERS	111	200

Land (ha)	9.0
Buildings (m ²)	3 800



MPUMALANGA// EMALAHLENI (WITBANK)



YEAR	2010	2011	2012
LEARNERS	344	513	660

Land (ha)	13.9
Buildings (m ²)	4 500



CAMPUS DEVELOPMENTS

- New campuses (R142m)
 - Serengeti
 - Nelspruit
 - Hermanus
 - Mossel Bay
- Capacity increases and improvements at most other campuses (R112m)



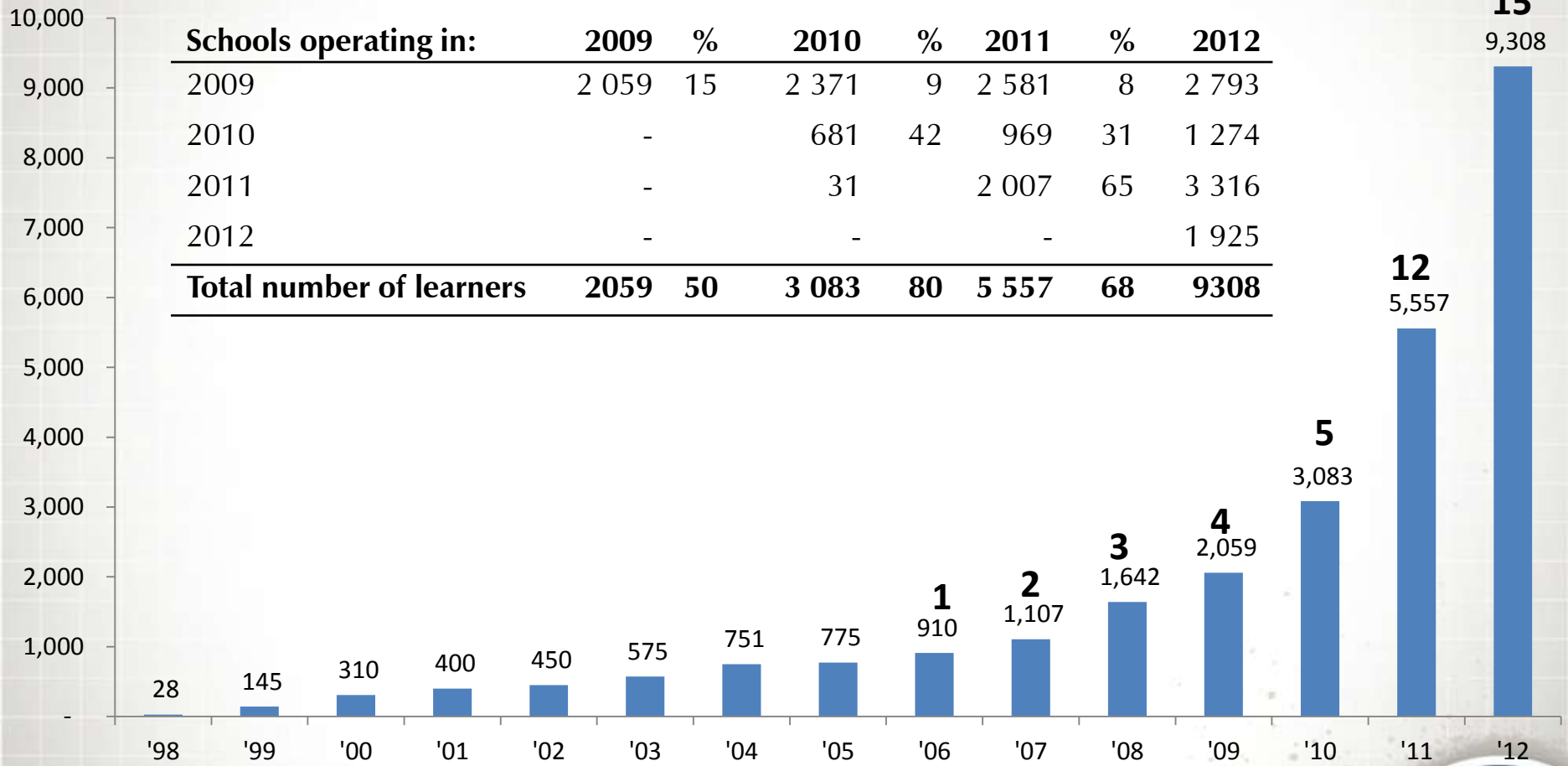
2011: ACQUISITIONS/INVESTMENTS MADE

- Aurora College for a cash consideration of R43 million
- Hermanus: Overstrand Learning Academy and Berghof Pre-Primary for R785 000
- Heuwelkruin Kollege in Polokwane for R14,9 million
- Cape St Blaize in Mossel Bay for R2,7 million
- Siloam Academy for R4 million
- Mandorren Academy and Sport for R5,9 million
- Nelspruit
 - Optimum Kids Playschool and Pre-Primary for R1,8 million
 - Koraalsig Primary School for R1,3 million

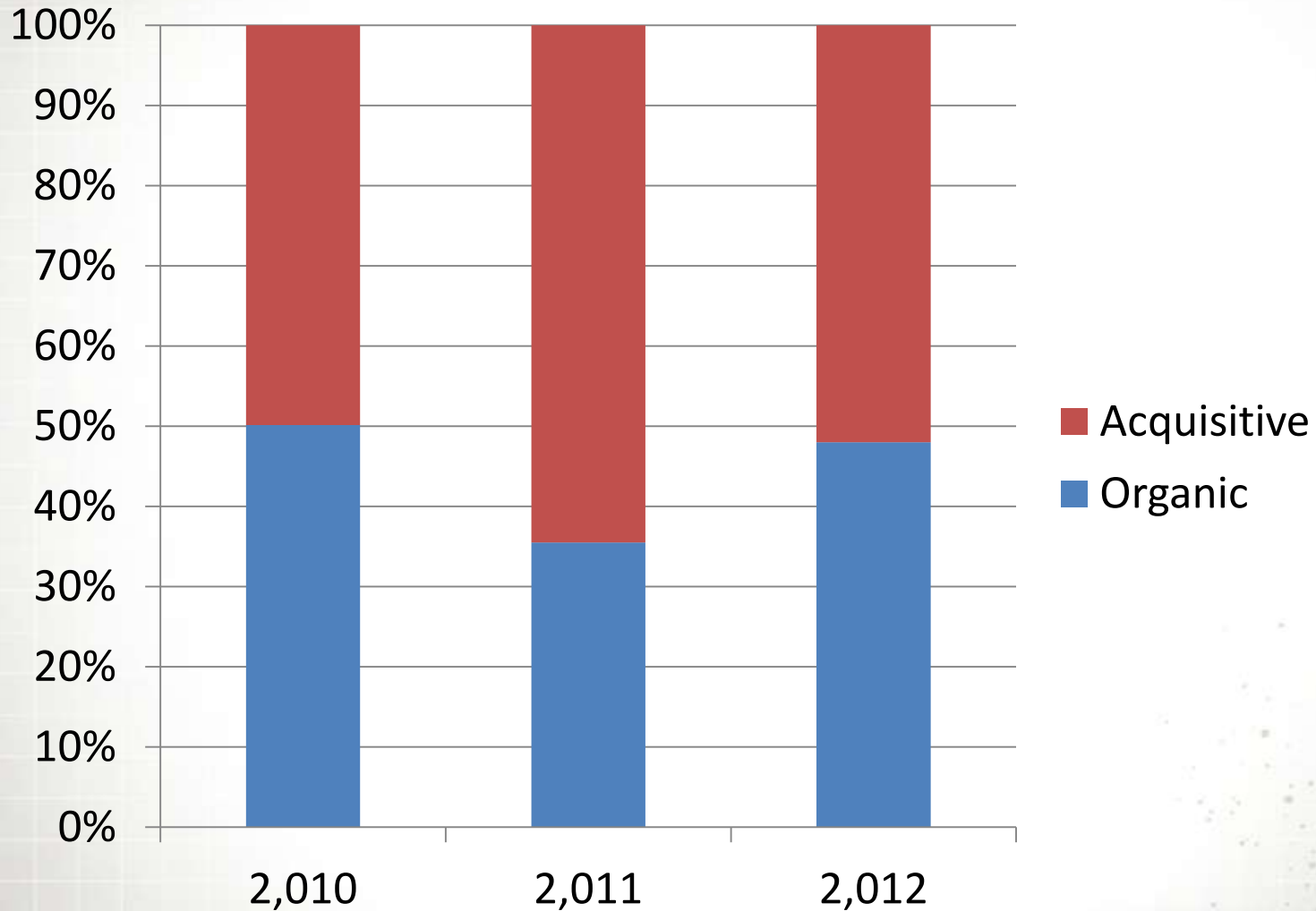


CURRO LEARNER NUMBERS

Schools operating in:	2009	%	2010	%	2011	%	2012
2009	2 059	15	2 371	9	2 581	8	2 793
2010	-		681	42	969	31	1 274
2011	-		31		2 007	65	3 316
2012	-		-		-		1 925
Total number of learners	2059	50	3 083	80	5 557	68	9308



LEARNER NUMBER GROWTH



OTHER KEY RATIOS

	2009	2010	2011	2012
Number of campuses	3	5	12	15
Learners per campus	686	513	460	621
Staff	251	343	654	926
Educators	201	247	446	669
Learner/teacher ratio	10.2	12.5	12.4	13.9
Building size (m ²)	33 000	44 500	75 000	84 000
Land size (ha)	27	55	107	111



FINANCIALS



INCOME STATEMENT

	<i>% change</i>	2011	2010
Revenue	125%	166 298	74 028
Earnings before interest tax depreciation and amortisation (EBITDA)	(18%)	10 481	12 800
Depreciation and amortisation		(6 704)	(3 014)
Earnings before interest and tax	(61%)	3 777	9 786
Net interest expense		(12 948)	(5 106)
(Loss)/profit before tax		(9 171)	4 680
Taxation		1 767	552
Total comprehensive (loss)/profit		(7 404)	5 233
<i>EPS/HEPS</i>		(6.2)	6.5



EBITDA PERSPECTIVE

		2011	2010
	%	R'000	R'000
EBITDA	(18%)	10 480	12 799
2009 schools	26%	19 694	15 665
2010 schools	58%	3 757	2 373
Aurora acquired 2011		7 285	
2011 schools		(3 561)	
Head office	219%	(16 695)	(5 239)

	%	%
EBITDA (excl HO) – Margin	16	24
2009 schools	29	27
2010 schools	15	17
Aurora acquired 2011	16	
2011 schools	(16)	



HEAD OFFICE EXPENSES

TRANSFORMATION FROM A SMALL BUSINESS TO A CORPORATE

- Marketing budget of R2.7m
- Human resources more than doubled
 - 2 Top executives; 3 senior executives + other
 - Bonus scheme and share incentive costs
- IT systems and communications
- Once off debt raising transaction costs
- Listing and transactions costs
- Rental, postage etc associated with a growing company



BALANCE SHEET

ASSETS

Non-current assets

Property, plant and equipment

Goodwill

Intangible assets

Deferred tax assets

Current assets

Total assets

EQUITY AND LIABILITIES

Equity

Non-current liabilities

Other financial liabilities

Deferred tax liability

Current liabilities

Related party loan

Other financial liabilities - short term

Current tax liabilities

Trade and other payables

Construction and acquisition payables

Prepaid school fees and deposits

Bank overdrafts

Total equity and liabilities

	2011	2010
	574 651	236 889
Property, plant and equipment	529 928	225 321
Goodwill	39 283	8 207
Intangible assets	5 440	1 783
Deferred tax assets	-	1 578
	22 751	6 422
	597 402	243 311
	369 775	57 686
	132 609	99 787
Other financial liabilities	122 416	99 787
Deferred tax liability	10 193	-
	95 018	85 838
Related party loan	38 686	54 440
Other financial liabilities - short term	12 298	10 861
Current tax liabilities	881	63
Trade and other payables	6 847	7 833
Construction and acquisition payables	14 792	1 500
Prepaid school fees and deposits	21 514	7 914
Bank overdrafts	-	3 223
	597 402	243 311



2012: NEW DEVELOPMENTS

- Century City
- Krugersdorp
- Bloemfontein
- Centurion/Thatchfield
- Southern Suburbs
- Port Elizabeth
- Burgersfort

28 Schools.....by December????



2012:ACQUISITIONS/INVESTMENTS

- Embury College and Wonderland College a combined school based in Morningside, Durban
- Hillcrest Christian Academy, a pre-primary and primary school based in Hillcrest, Durban
- Land in Century City, Cape Town for the construction of a campus
- Land in Bloemfontein for the construction of a campus
- Woodhill College for an amount of R175 million (subject to competition commission approval)



PROSPECTS

- Underwritten rights issue and private placement of between R350m and R480m (Apr/May 2012)
- On track in terms of organic growth
4 major schools per year
- Acquisitive growth – a number of targets
 - Elite schools
 - Curro Junior Academies



BUSINESS OBJECTIVE (June 2011)

2020

40 SCHOOLS

45 000 LEARNERS

R450m PAT

**THE OPPORTUNITIES ARE
PERHAPS GREATER.....**

