



Are you a

**GAME  
CHANGER?**



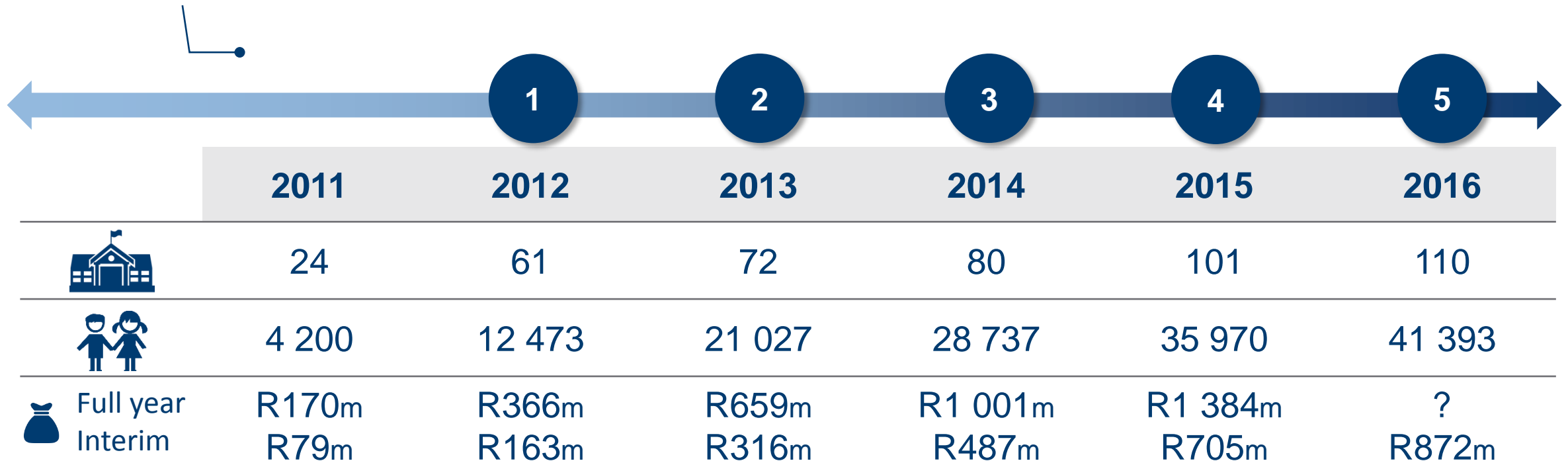
**CURRO**

# FIVE YEAR HISTORY AS A LISTED ENTITY

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**CURRO listed on  
the JSE  
2 June 2011**

**THANK YOU PSG!**  
Early pioneers, current shareholders, etc.



**CURRO'S 47 CAMPUSES/ 110 schools**

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**CURRO**



**80 campuses**

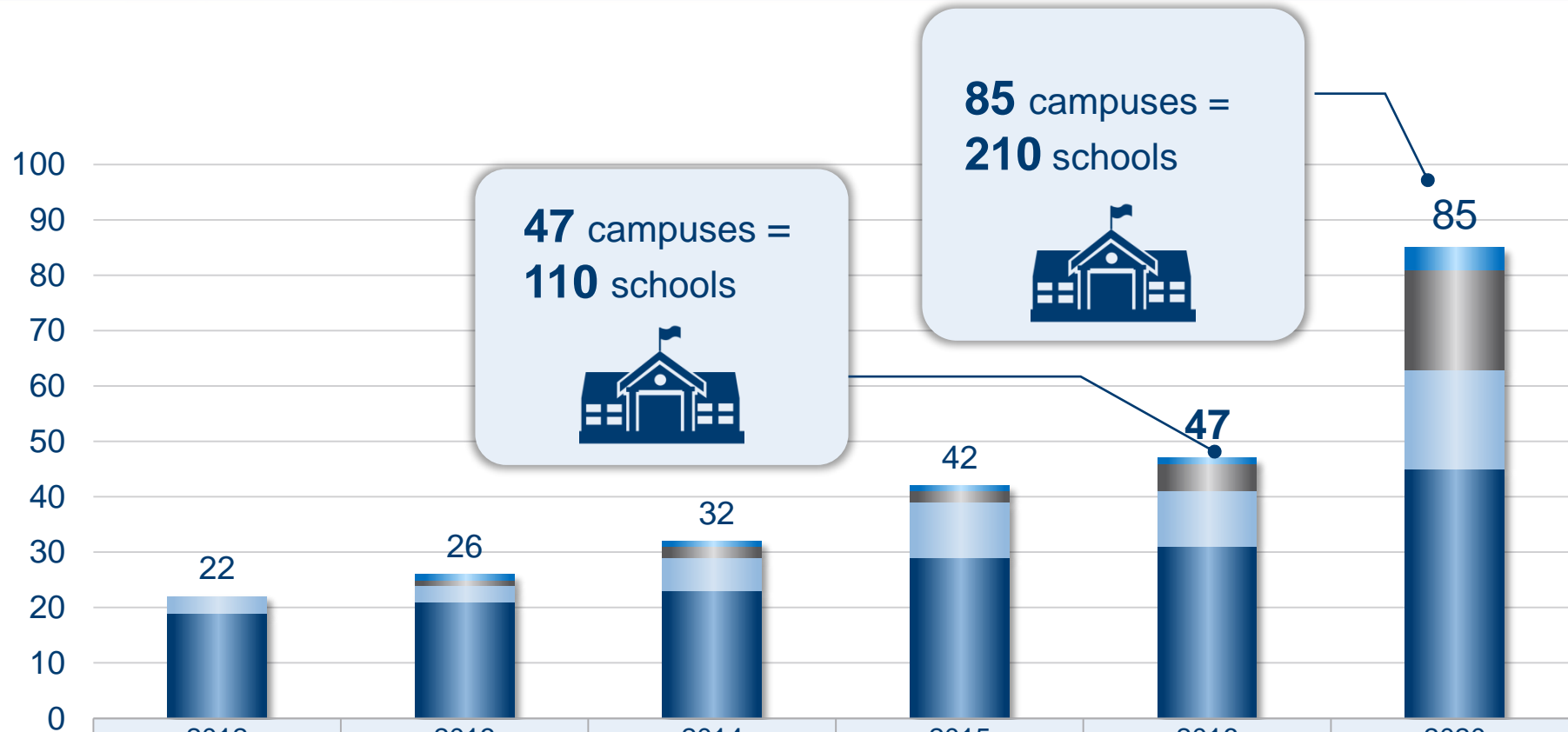
(200 schools)

**2020**



# NUMBER OF SCHOOLS

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	2012	2013	2014	2015	2016	2020
Number of campuses	22	26	32	42	47	85
■ Training Institutes	0	1	1	1	1	4
■ Curro Castle	0	1	2	2	5	18
■ Meridian + Curro Academy	3	3	6	10	10	18
■ Curro and Select	19	21	23	29	31	45

# PIPELINE (confirmed)

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## Campuses



47 +6

53 +11

64 +5

69

69

2016

2017

2018

2019

2020

110 +13

123 +22

145 +16

161

161



## Schools

# 2016 NEW DEVELOPMENTS

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**Waterfall Primary**  
Primary School

**Rivonia**  
Castle and Primary School

**Century City**  
High School

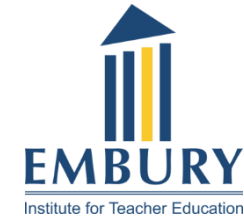
**Krugersdorp**  
High School



**Clayville**  
Primary and High School

**Bergtuin**  
Primary and High School

**Wilgespruit**  
Primary and High School



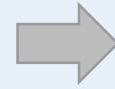
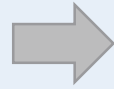
**Durban**  
2 600 capacity

**Waterfall**  
1 400 capacity

**Montana**  
800 capacity

## R450m

of total investment  
into existing campuses



- Classrooms
- Additional land
- Sports facilities
- Swimming pools and astro turfs
- Cultural facilities
  - Halls and auditoriums

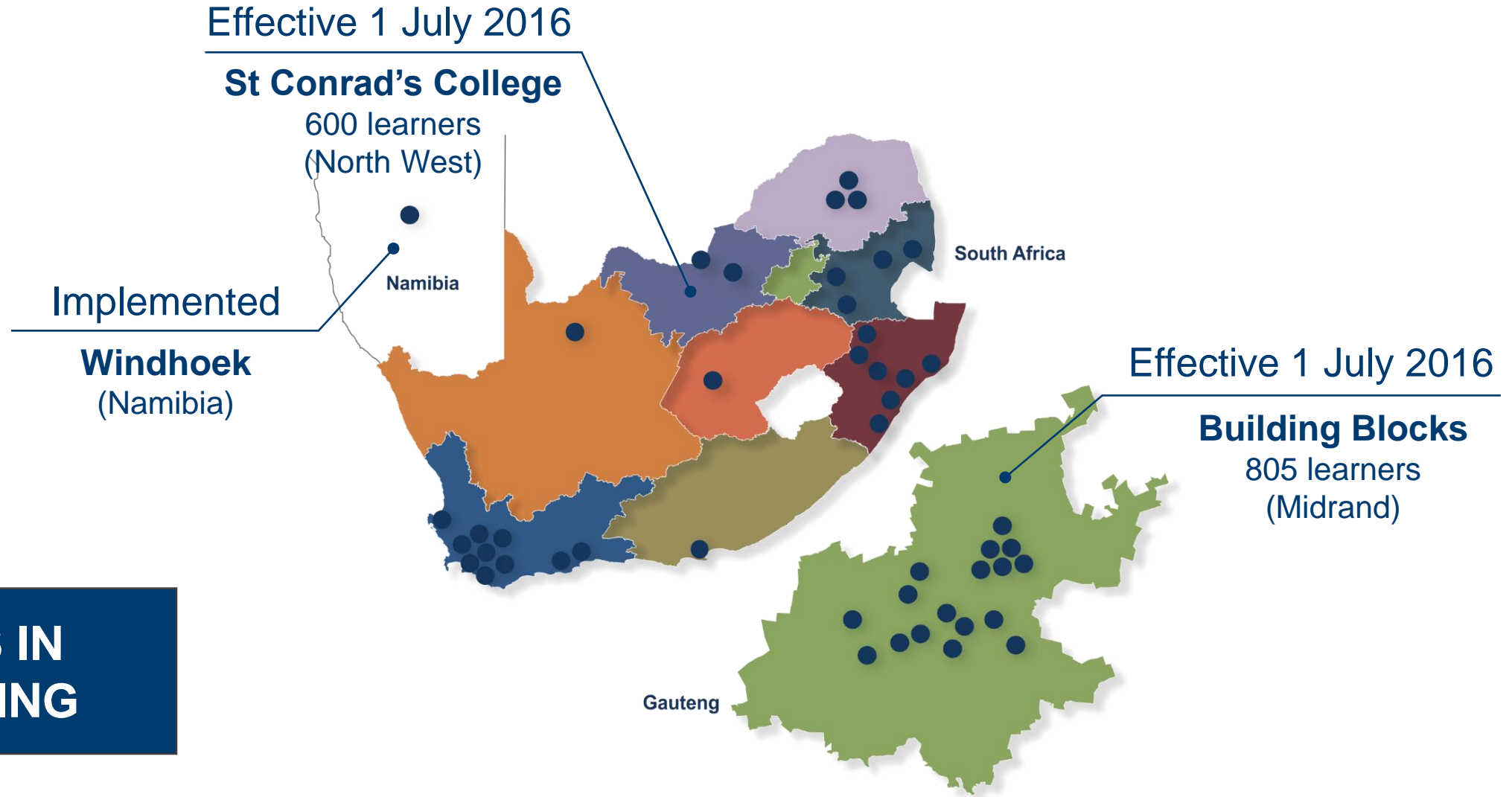
## 13 campuses

More than R10m



- Aurora
- Bankenveld
- Bloemfontein
- Grantleigh
- Hillcrest
- Monaghan
- Northern Academy
- Pinehurst
- Roodeplaat
- Thatchfield
- Waterstone
- Cosmo City
- Embury





**ALWAYS IN  
THE OFFING**



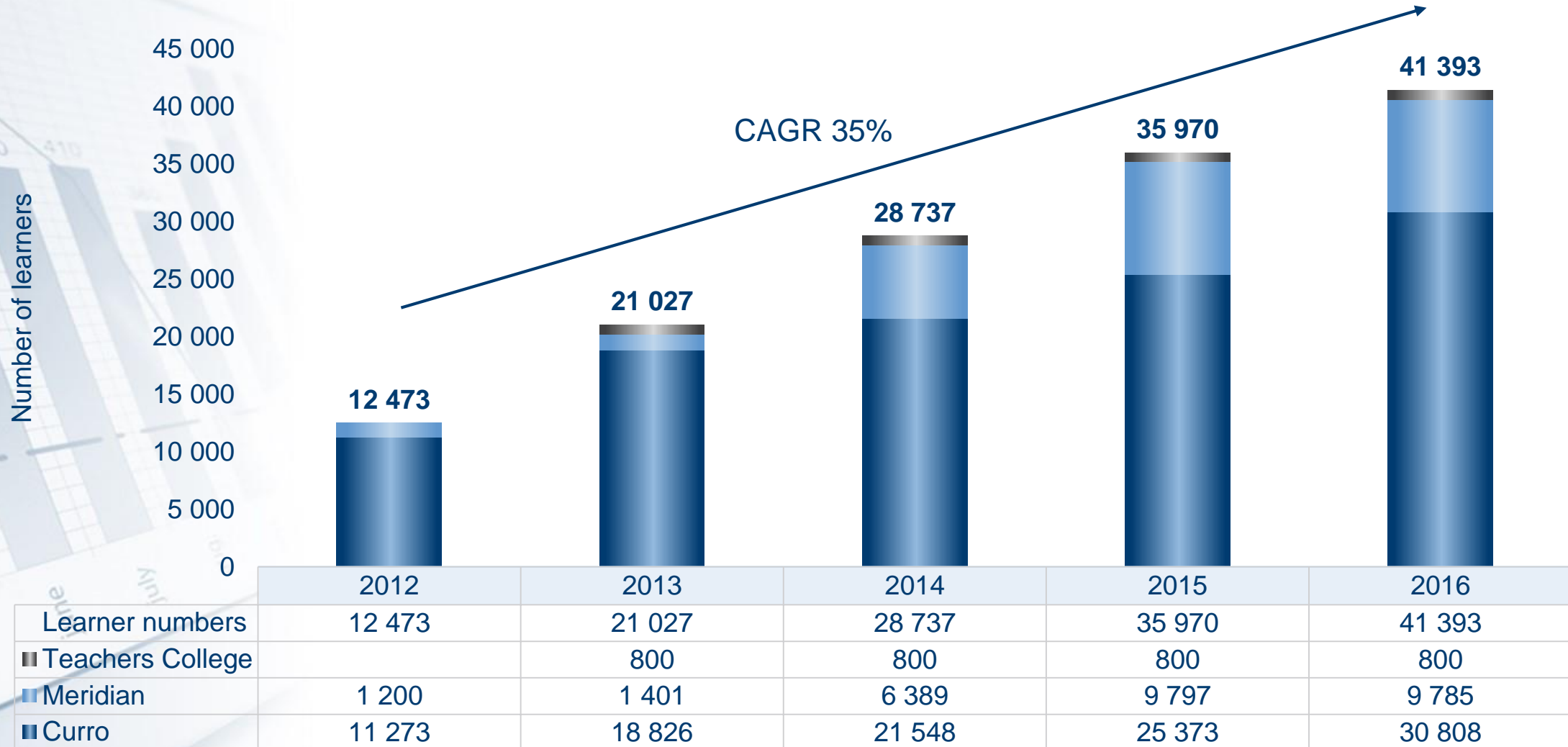
# GROWTH STATISTICS

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	31 Dec 2015 12 months	30 Jun 2015 6 months	<b>30 Jun 2016 6 months</b>	% change (2015/2016)
Number of campuses	42	42	<b>47</b>	12%
Number of learner	35 970	36 085	<b>41 393</b>	15%
Revenue Full year (Rm)	1 384	705	<b>872</b>	24%
Schools' EBITDA (Rm)	382	204	<b>259</b>	27%
EBITDA (Rm)	292	164	<b>211</b>	29%
Net interest expense (Rm)	91	55	<b>60</b>	9%
Headline Earnings (Rm)	100	51	<b>81</b>	59%
HEPS (cents)	28.3	14.5	<b>22.0</b>	51%

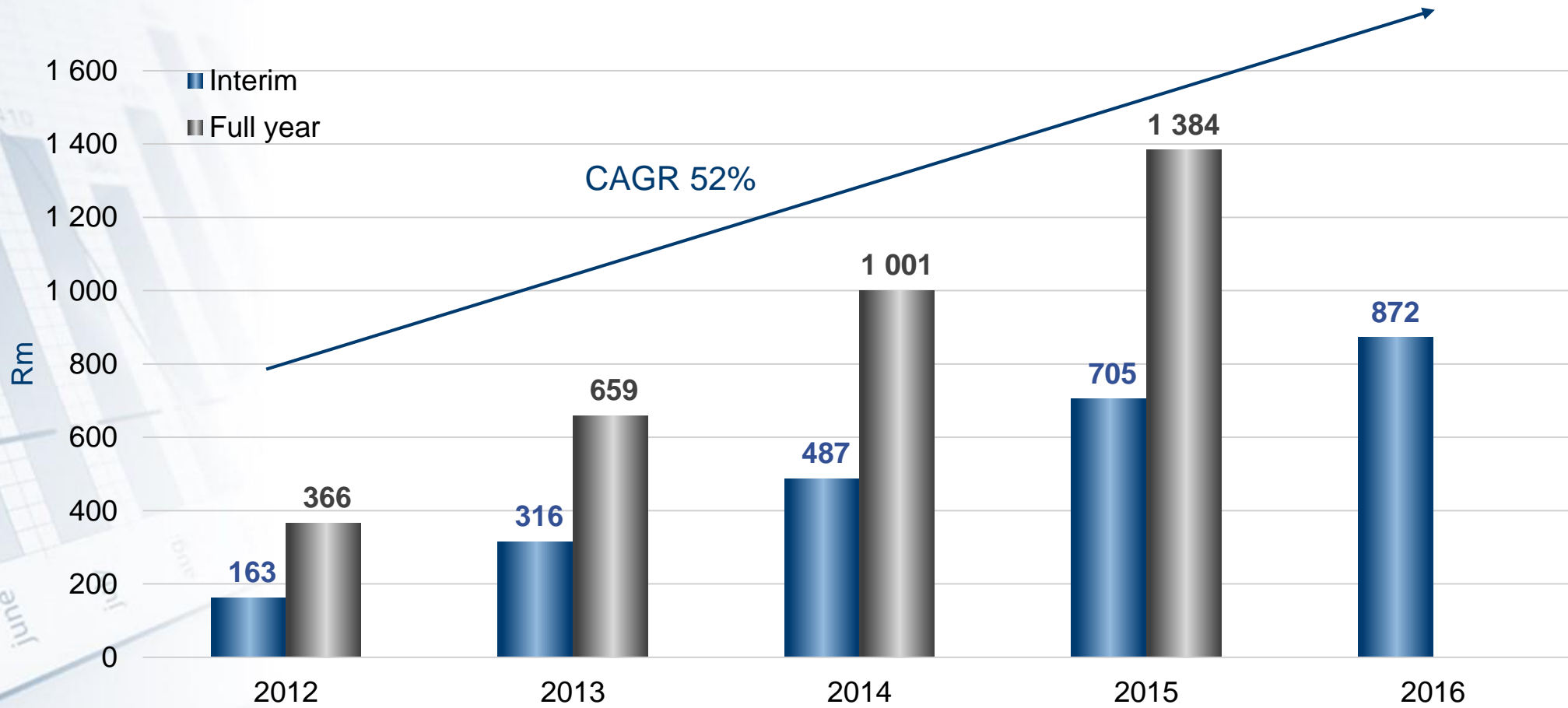
# LEARNER NUMBERS

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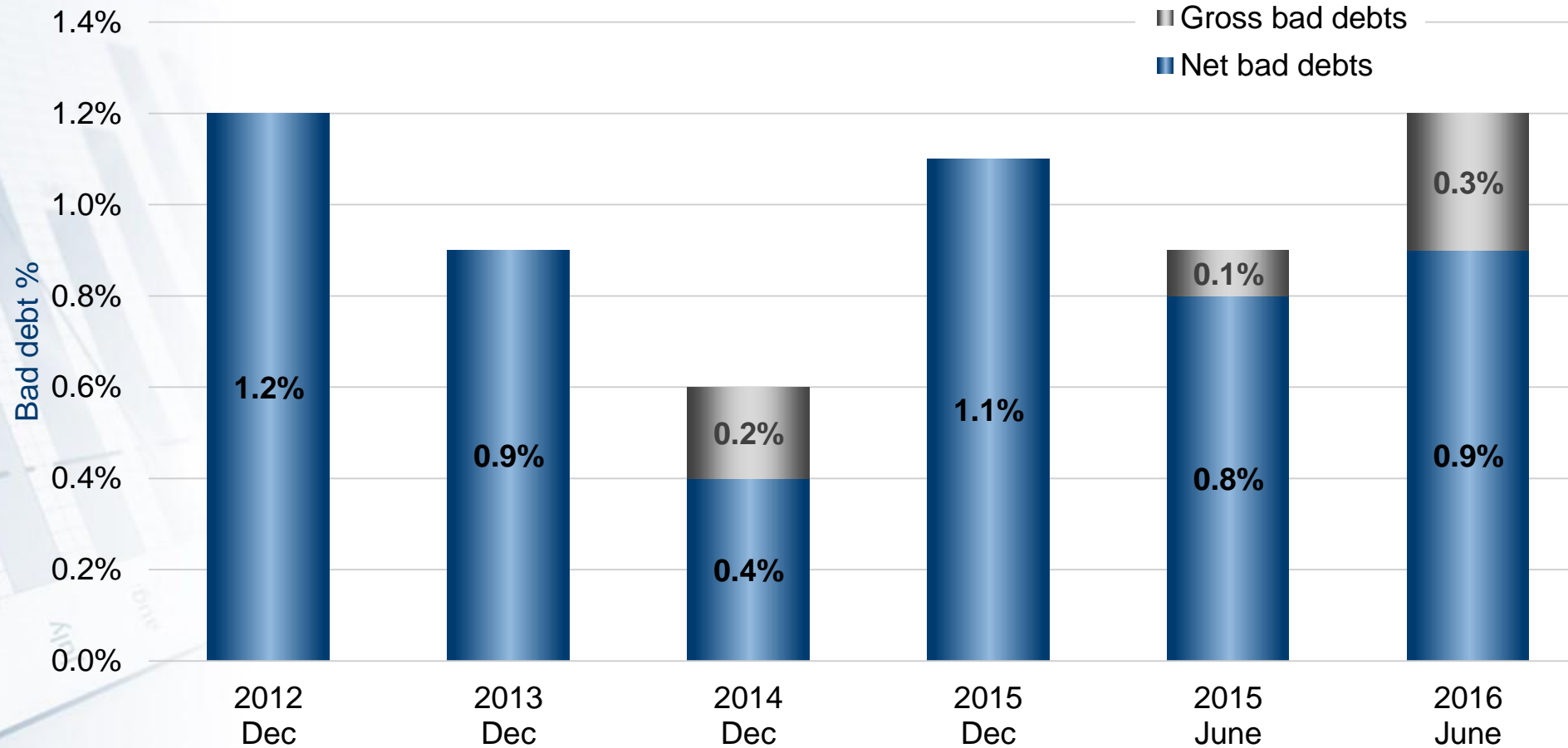
# REVENUE

# GAME CHANGER



Note: Average school fee increase for 2016 is 9.9%

# BAD DEBTS

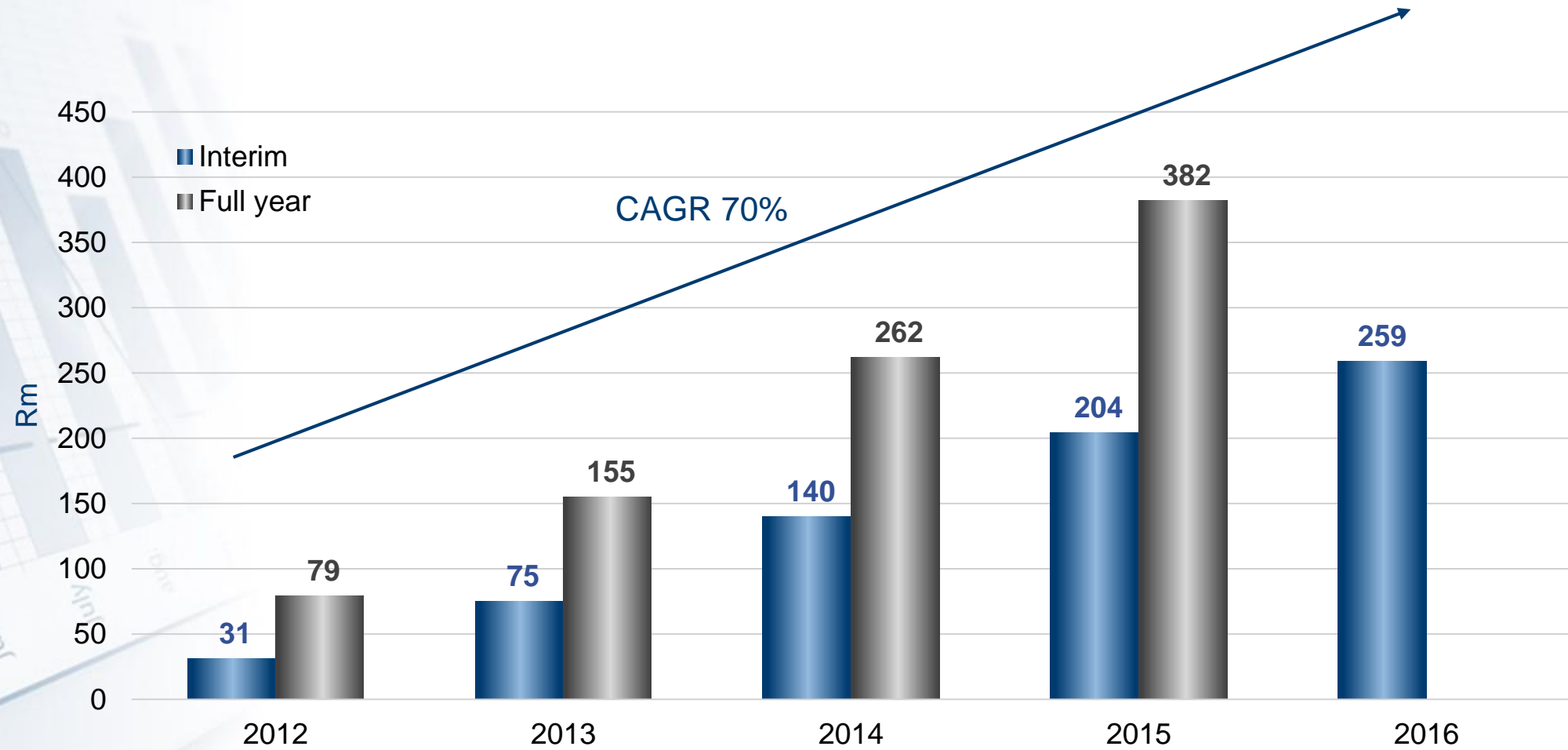


Notes:

- Debtors at similar level (R43m) than 2015 despite 24% increase in Revenue.
- Change in provisioning methodology that will lead to earlier provision.

# SCHOOLS' EBITDA

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# J-CURVE (SCHOOL EVOLUTION)

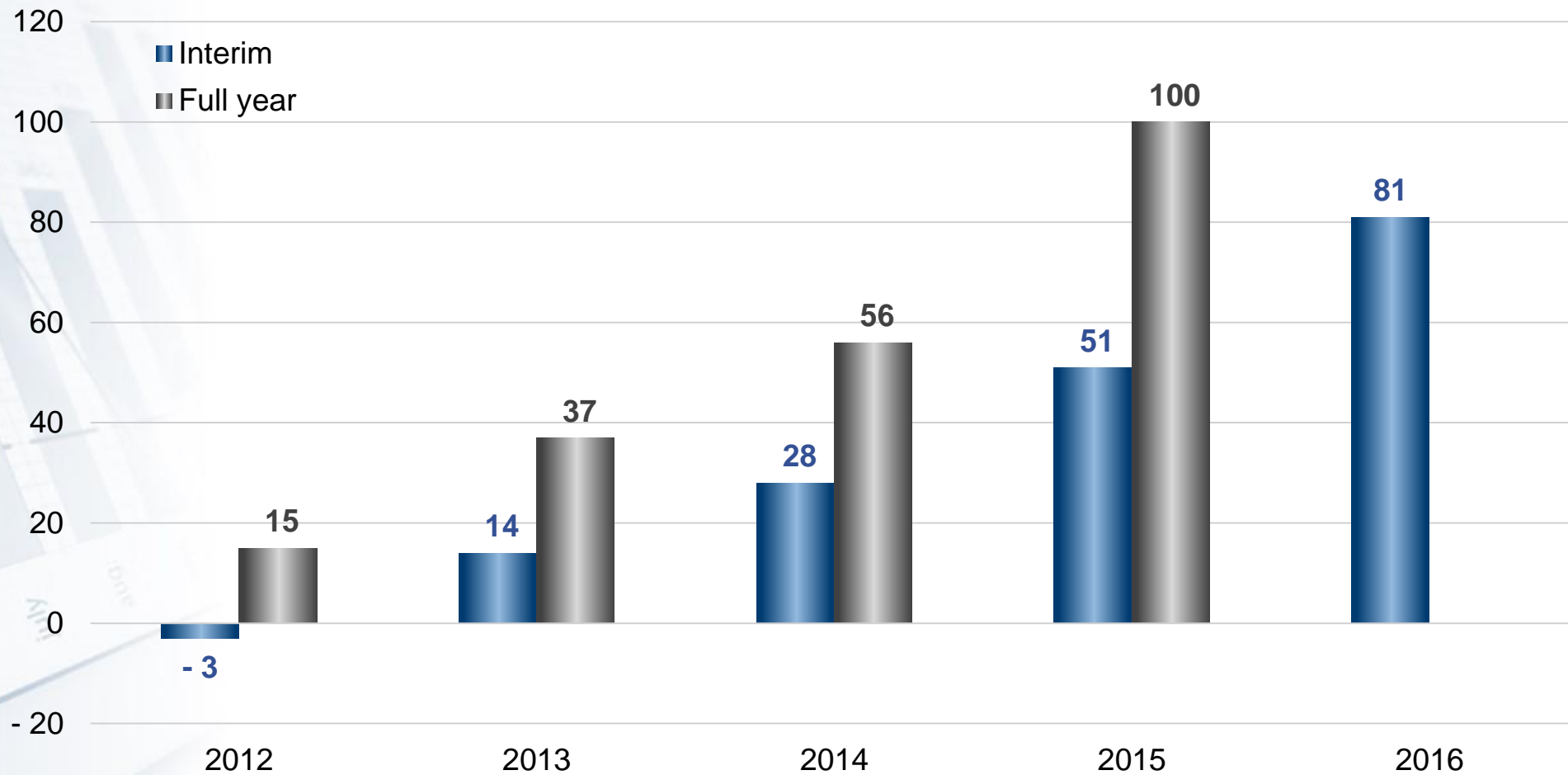
# GAME CHANGER

	Number of campuses	Number of schools	Learner numbers (30 June)			Growth			Schools' EBITDA (30 June) R million			Growth			EBITDA margin			Eventual Capacity		
			2014	2015	2016	13/14	14/15	15/16	2014	2015	2016	13/14	14/15	15/16	2014	2015	2016	2014	2015	2016
<b>Developed schools</b>	<b>33</b>	<b>80</b>	<b>14 633</b>	<b>20 734</b>	<b>24 344</b>	<b>36%</b>	<b>42%</b>	<b>17%</b>	<b>62</b>	<b>88</b>	<b>132</b>	<b>175%</b>	<b>43%</b>	<b>49%</b>	<b>25%</b>	<b>23%</b>	<b>28%</b>	<b>40%</b>	<b>40%</b>	<b>42%</b>
2009 and before	3	8	3 121	3 313	3 422	5%	6%	3%	17	19	23	45%	7%	23%	31%	29%	30%	79%	84%	86%
2010	2	6	1 999	2 131	2 216	22%	7%	4%	9	12	15	155%	34%	26%	26%	29%	32%	62%	66%	69%
2011	6	16	3 720	4 382	4 530	26%	18%	3%	14	20	28	419%	46%	37%	22%	23%	27%	39%	45%	47%
2012	2	6	1 351	1 599	1 764	34%	18%	10%	4	8	9	428%	68%	17%	19%	23%	23%	40%	48%	53%
2013	4	11	3 643	4 918	5 651	71%	35%	15%	20	34	48	467%	71%	41%	35%	37%	42%	37%	50%	58%
2014	4	8	799	1 267	1 506		59%	19%	(3)	1	2		Na	120%	(27%)	5%	9%	12%	19%	22%
2015	8	19	3 124	4 730				51%	-	(5)	9			Na	-	(14%)	14%		20%	30%
2016	4	6			525						(1)						(14%)			9%
<b>Acquired schools</b>	<b>14</b>	<b>30</b>	<b>14 266</b>	<b>15 351</b>	<b>17 049</b>	<b>28%</b>	<b>8%</b>	<b>11%</b>	<b>78</b>	<b>117</b>	<b>131</b>	<b>48%</b>	<b>49%</b>	<b>12%</b>	<b>32%</b>	<b>35%</b>	<b>34%</b>	<b>72%</b>	<b>75%</b>	<b>77%</b>
2012 and before	8	17	6 511	6 890	6 847	11%	6%	(1%)	49	64	69	28%	29%	7%	36%	39%	38%	68%	72%	71%
2013	2	3	5 728	5 795	5 541	8%	1%	(4%)	26	31	33	77%	22%	5%	31%	33%	36%	74%	75%	71%
2014	2	5	2 027	2 066	2 425		2%	17%	4	19	23		435%	23%	14%	30%	31%	82%	84%	99%
2015 and 2016	2	5		600	2 236			273%		3	7			138%		23%	19%		81%	92%
Property rental and royalties									-	(1)	(4)									
<b>Total</b>	<b>47</b>	<b>110</b>	<b>28 899</b>	<b>36 085</b>	<b>41 393</b>	<b>32%</b>	<b>25%</b>	<b>15%</b>	<b>140</b>	<b>204</b>	<b>259</b>	<b>86%</b>	<b>45%</b>	<b>27%</b>	<b>29%</b>	<b>29%</b>	<b>30%</b>	<b>51%</b>	<b>50%</b>	<b>51%</b>



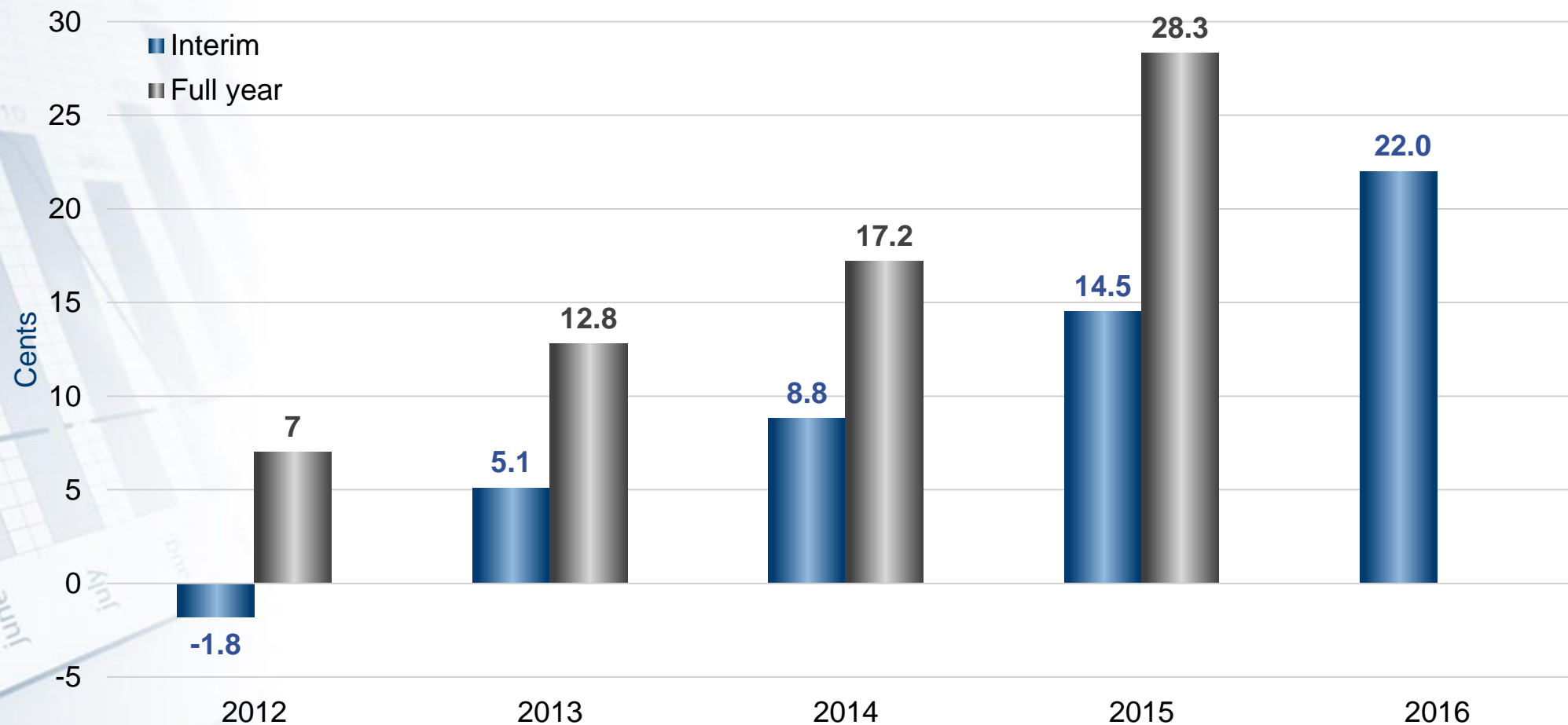
# HEADLINE EARNINGS

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# HEADLINE EARNINGS PER SHARE

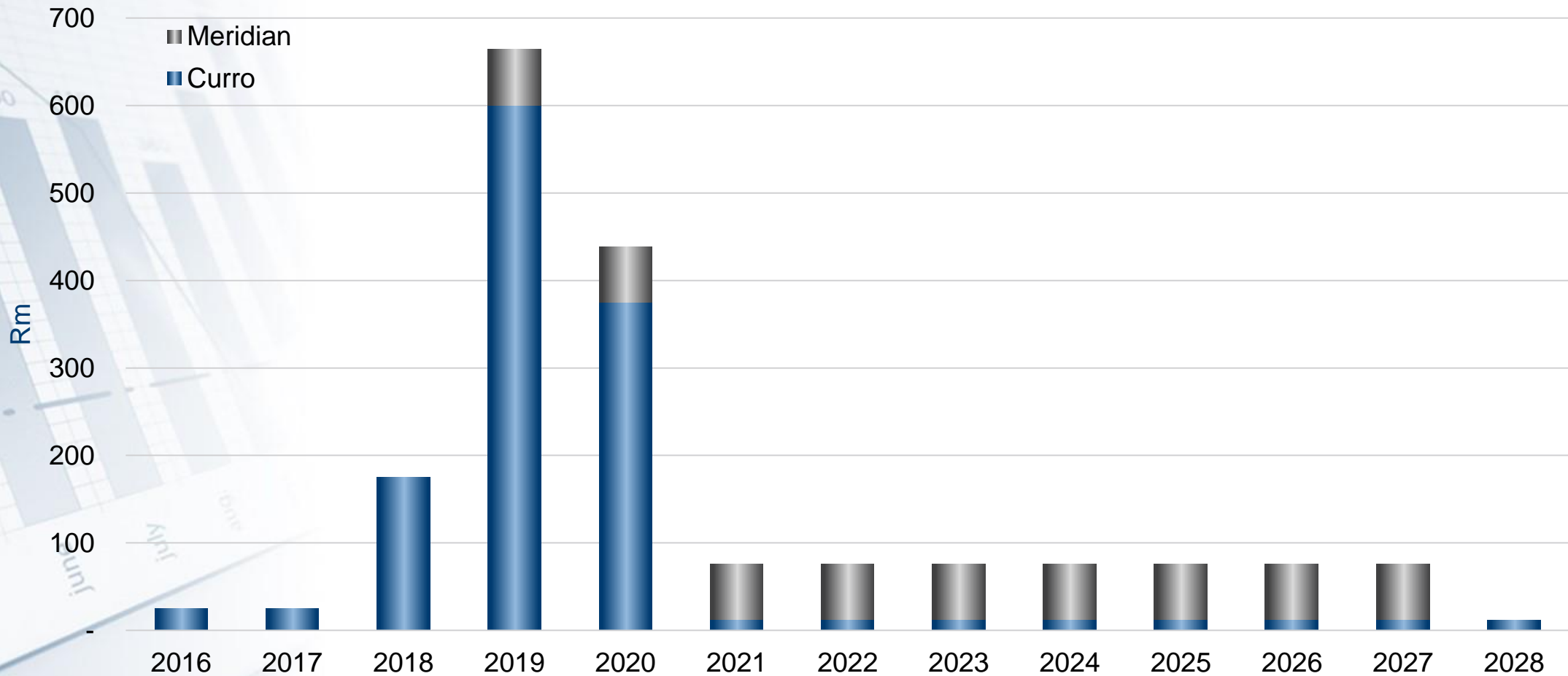
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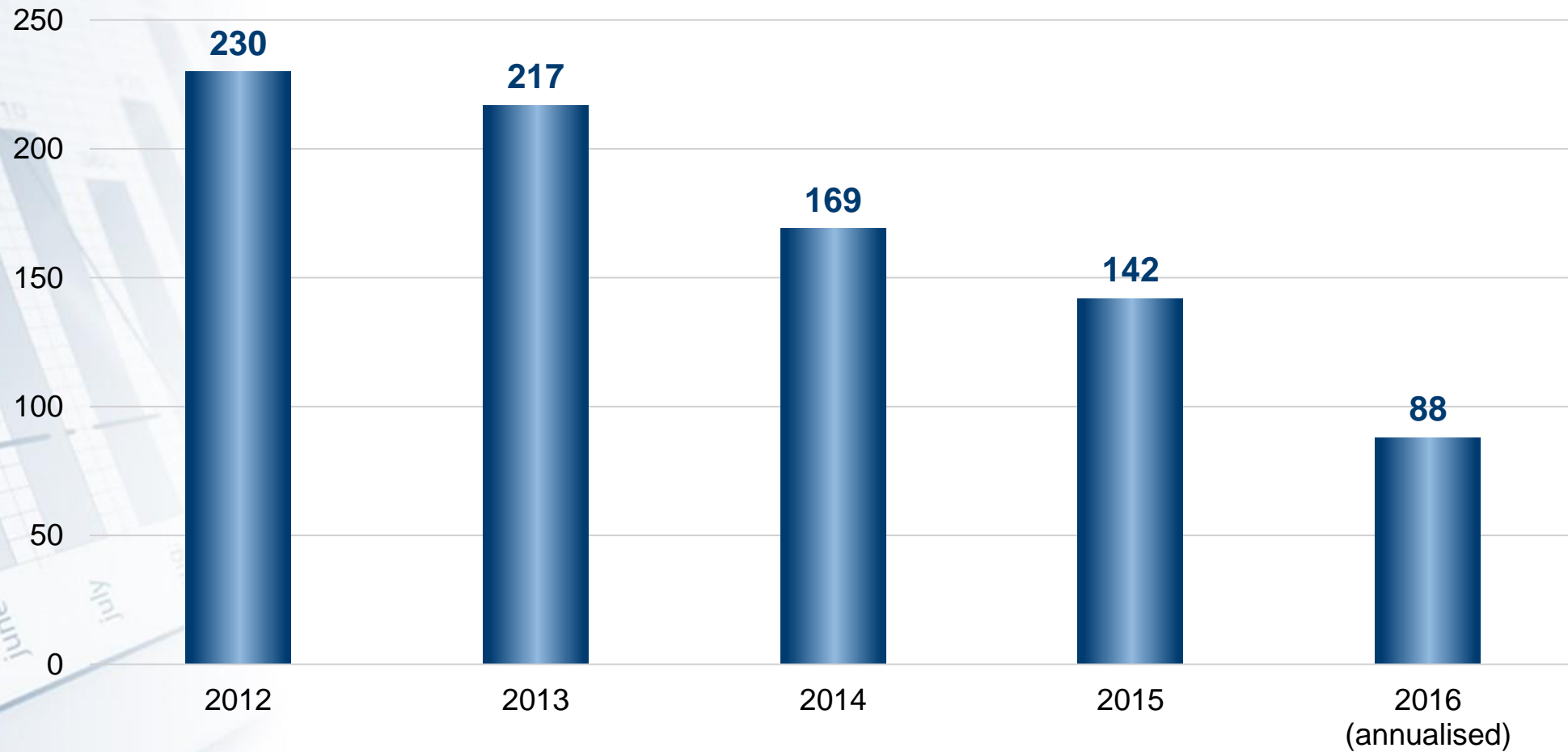
	Jun 2015	Dec 2015	Jun 2016	Comment
Group debt (Rm)	1 522	1 589	<b>1 676</b>	
- Curro debt (Rm)	973	1 011	<b>1 076</b>	Mostly 5 year bullet repayment. 62% fixed.
- Meridian debt (Rm)	549	578	<b>600</b>	Amortising until 2027. Floating. Ring-fenced from Curro.
Curro (excluding Meridian):				
Equity (Rm)	2 999	3 081	<b>4 200</b>	Rights issues
Debt/Equity	32%	33%	<b>26%</b>	
Interest service cover ratio (ISCR)	2.8	3.4	<b>4.3</b>	Covenant of 1.75 times

Note: Increase funding over the medium term to debt/equity of 50:50

# DEBT MATURITY PROFILE



# PE RATIO



# CASH FLOW

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	Audited 31 Dec 2015 12 months Rm	Unaudited 30 Jun 2015 6 months Rm	<b>Unaudited 30 Jun 2016 6 months Rm</b>	% change (2015/2016)
Cash generated from operations	306	169	<b>218</b>	29%
Taxation paid	(9)	(3)	<b>(4)</b>	33%
Net finance costs	(91)	(55)	<b>(60)</b>	9%
Working capital movements	(44)	(32)	<b>49</b>	Na
Net cash generated from operating activities	162	79	<b>203</b>	157%
Net cash utilised in investing activities	(1 030)	(262)	<b>(529)</b>	102%
Net cash from financing activities	904	790	<b>1 134</b>	44%
Cash movement for the period	36	607	<b>808</b>	
Cash at the beginning of the period	195	195	<b>231</b>	
Cash at the end of the period	231	802	<b>1 039</b>	



Demand for product

Value for money offering

Brand/reputation

Capital base (Strong Balance sheet)

Knowledge base

Development team

Ample opportunities

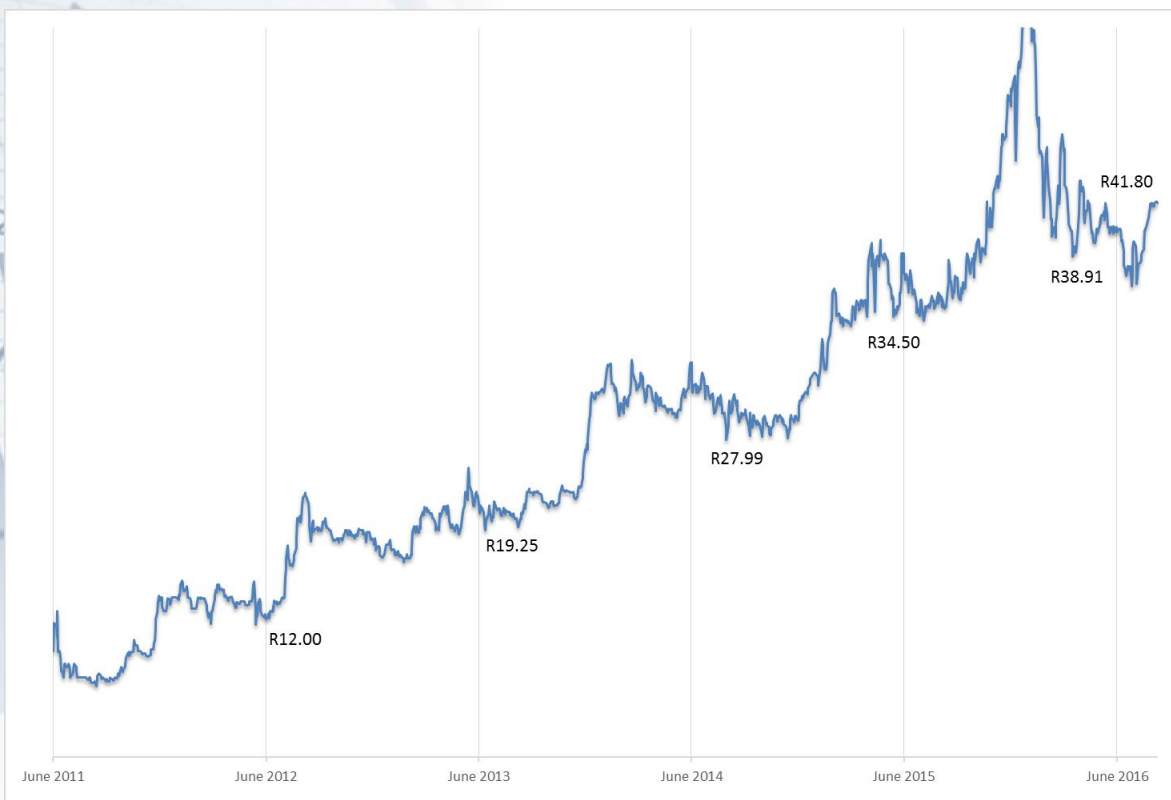
Very cash generative

Significant supportive shareholder

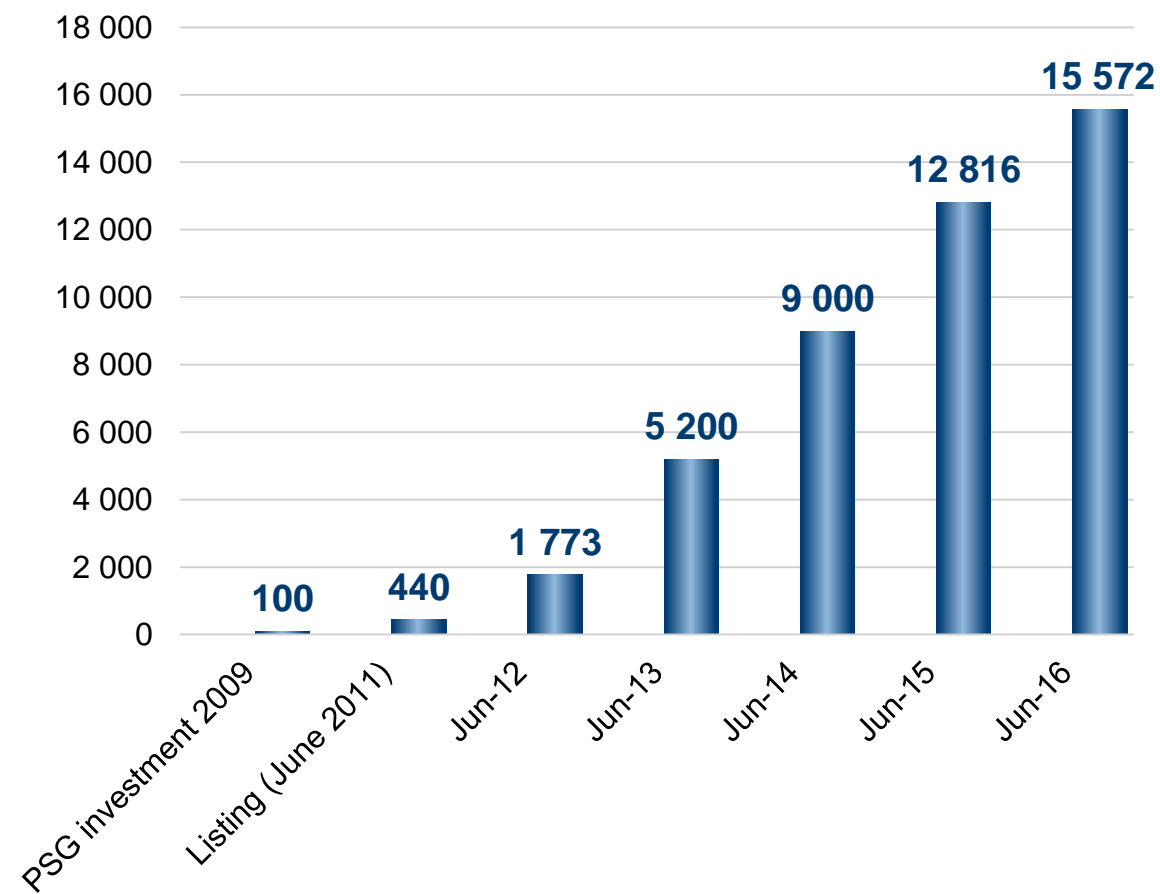
# CAGR of 48% since listing June 2011

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## Share price history



## Market cap (Rm)





# AN ADDITIONAL GROWTH STORY

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## TERTIARY EDUCATION

Heading towards  
Curro Institute for  
higher education

Expansion of  
Durban campus

New campus at  
Waterfall Estate  
(Johannesburg)

Acquire campus at  
Montana (Pretoria)

Growth in accredited  
courses (Bcom,  
BSc, BA)

Distance  
learning  
opportunity



## EMBURY INSTITUTE FOR TEACHER EDUCATION








# OUR PRODUCTS

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## CURRO

	Ave Fees (R) (per month)	Ages (yrs)	Max class size	Curricular
	3 300	3 - 18	25	Balanced
	4 800	3 - 18	25	Balanced
	1 600	5 - 18	35	Academic
	2 700	0 - 5	25	Balanced
	3 300	18+	70	Academic



**CURRICULUM**








**FACILITIES**

Primary focus of  
the parent

# OUR RESULTS

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	IEB		NSC*	
	2014	2015	2014	2015
 <b>Number of learners</b>	637	724	488	707
 <b>Pass rate</b>	99%	99%	90%	98%
 <b>University exemption</b>	82%	82%	43%	57%
 <b>Ave nr of A's per learner</b>	1.1	1.1	0.7	0.6
 <b>Average &gt;60%</b>	66%	69%	29%	43%

## CAPACITY BUILDING



Develop and innovate the South African curriculum to reflect **world-class best practices**



**Build the capacity of our educators**

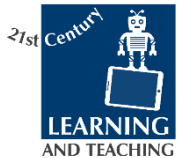
Intensive professional development

Subject heads

Induction programs



**Extensive research**



In the process to publish our first on-line journal on 21<sup>st</sup> Century teaching and learning



Tablets replaced many “modern methodologies” and brought the classroom much closer to the learners’ frames of reference:

**makes inspiring teaching easier**

# CURRO AND THE VISION OF THE NDP

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**1** → **The Constitution inspired the development of the independent school sector**

**2** → **Consider a voucher system**

**3** → **Sale of educationally zoned state land to independent operators**

**4** → **Selling or leasing state schools that require upgrading to independent operators**

**5** → **Selling or leasing state buildings relieves the state schools from overcrowding**

QUESTIONS?

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THANK  
YOU



Be a

# GAME CHANGER



Dream it. Embrace it. Live it.



**CURRO**