

Interim Results

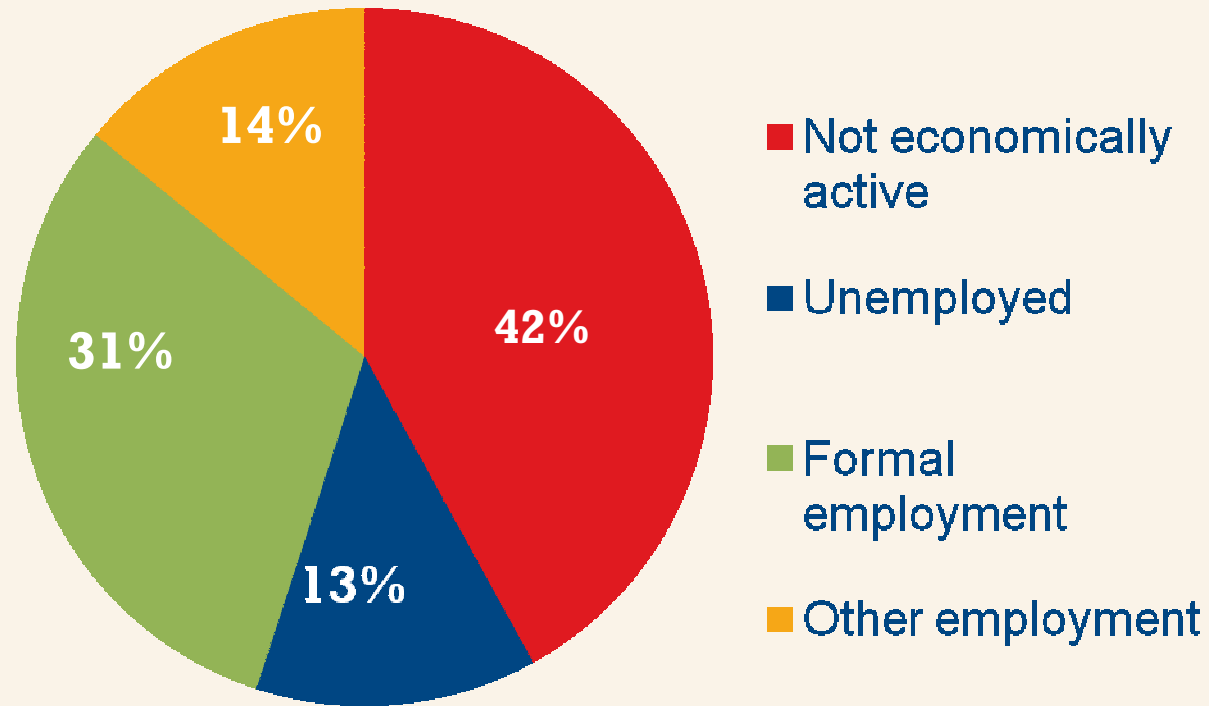
for the six months ended 30 June 2011

OPERATING ENVIRONMENT



Unemployment in SA

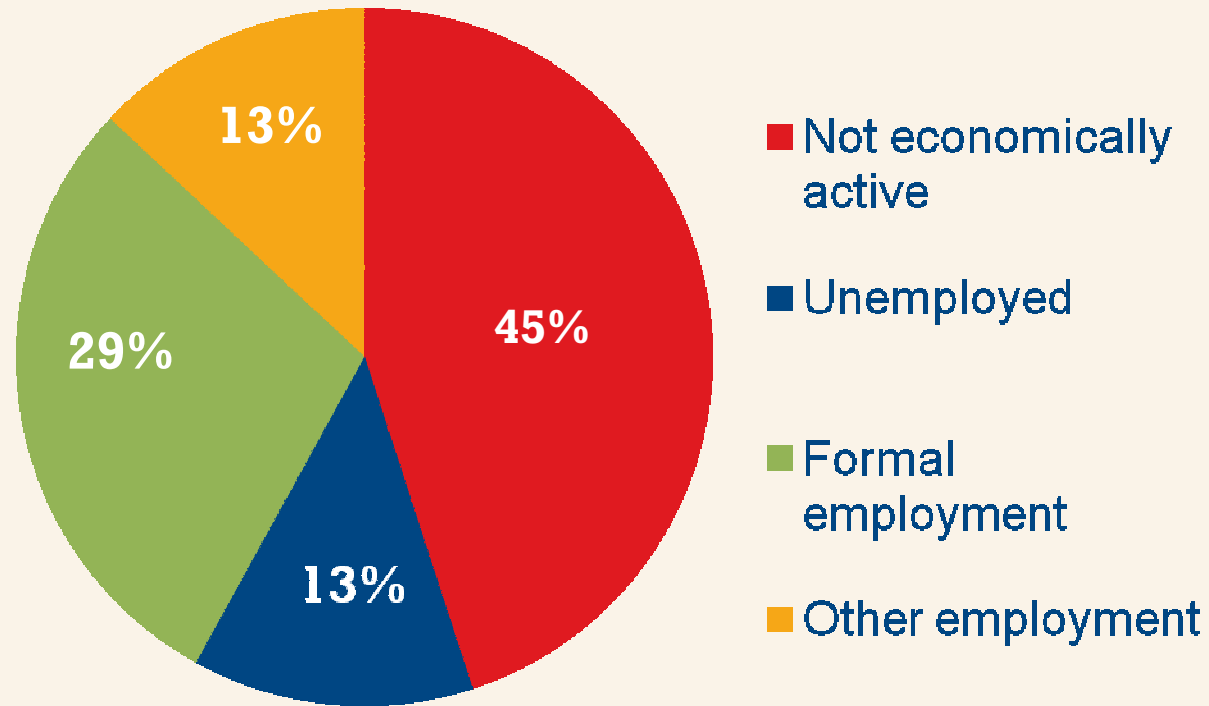
December 2008



Source: Stats SA December 2008

Unemployment in SA

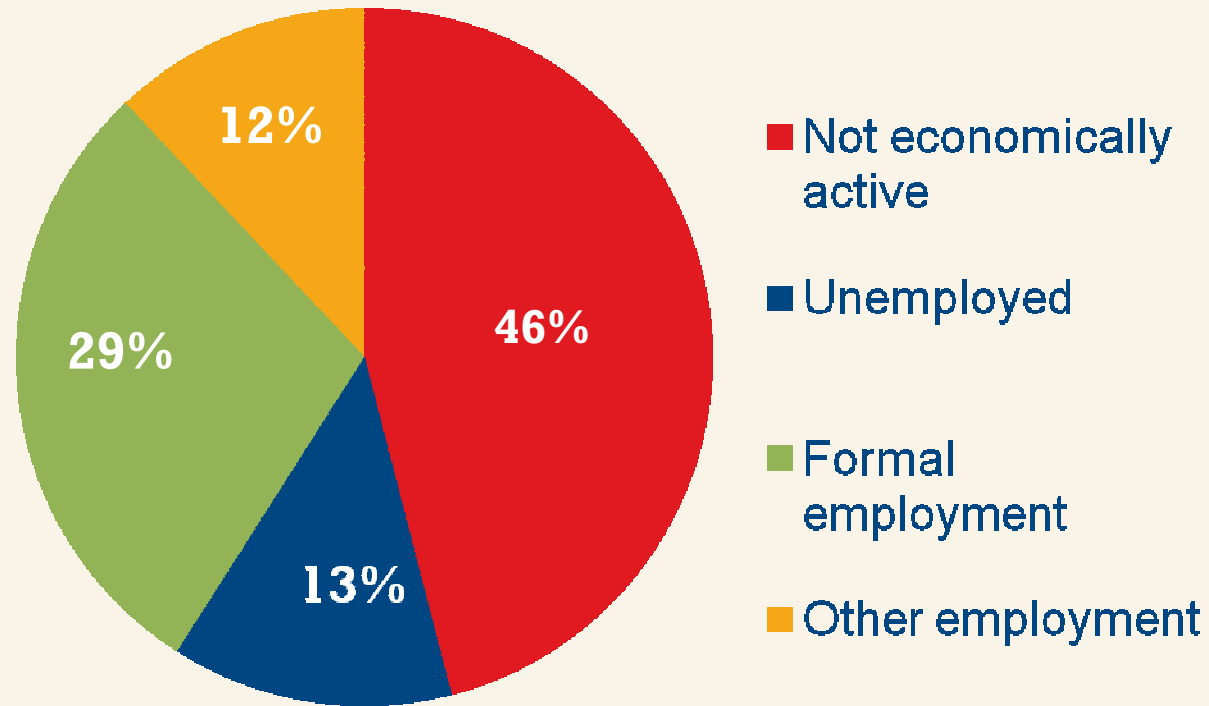
December 2009



Source: Stats SA December 2009

Unemployment in SA

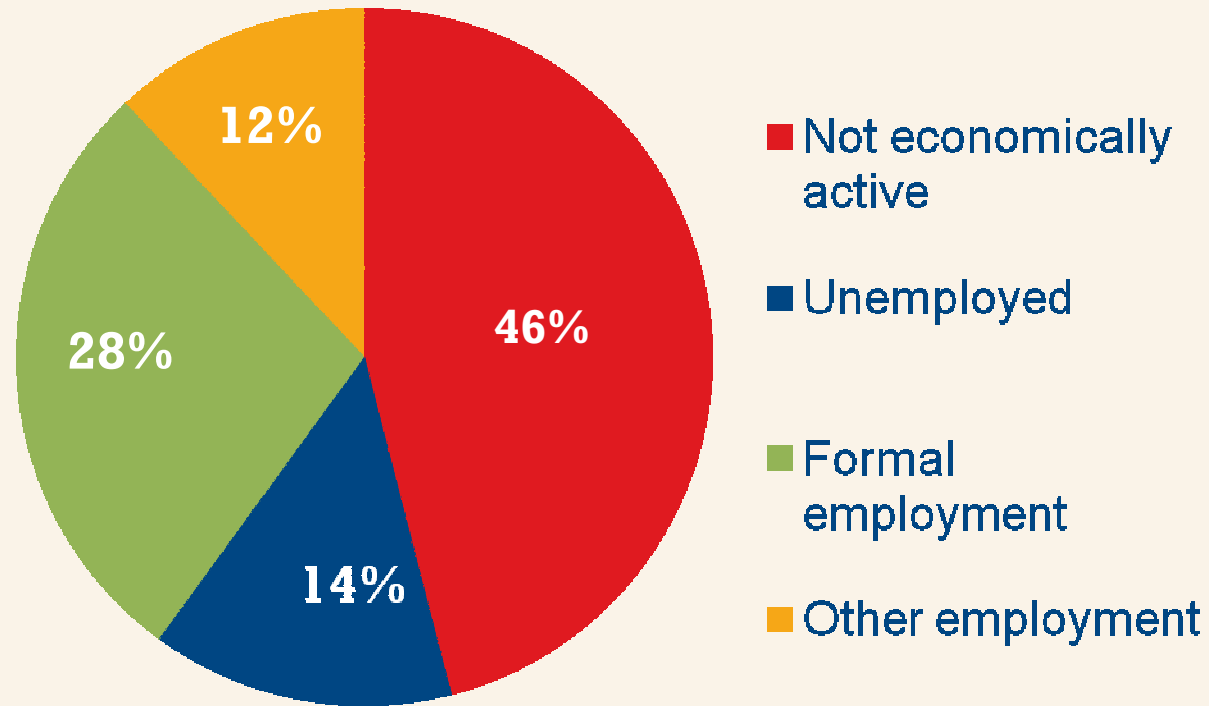
December 2010



Source: Stats SA December 2010

Unemployment in SA

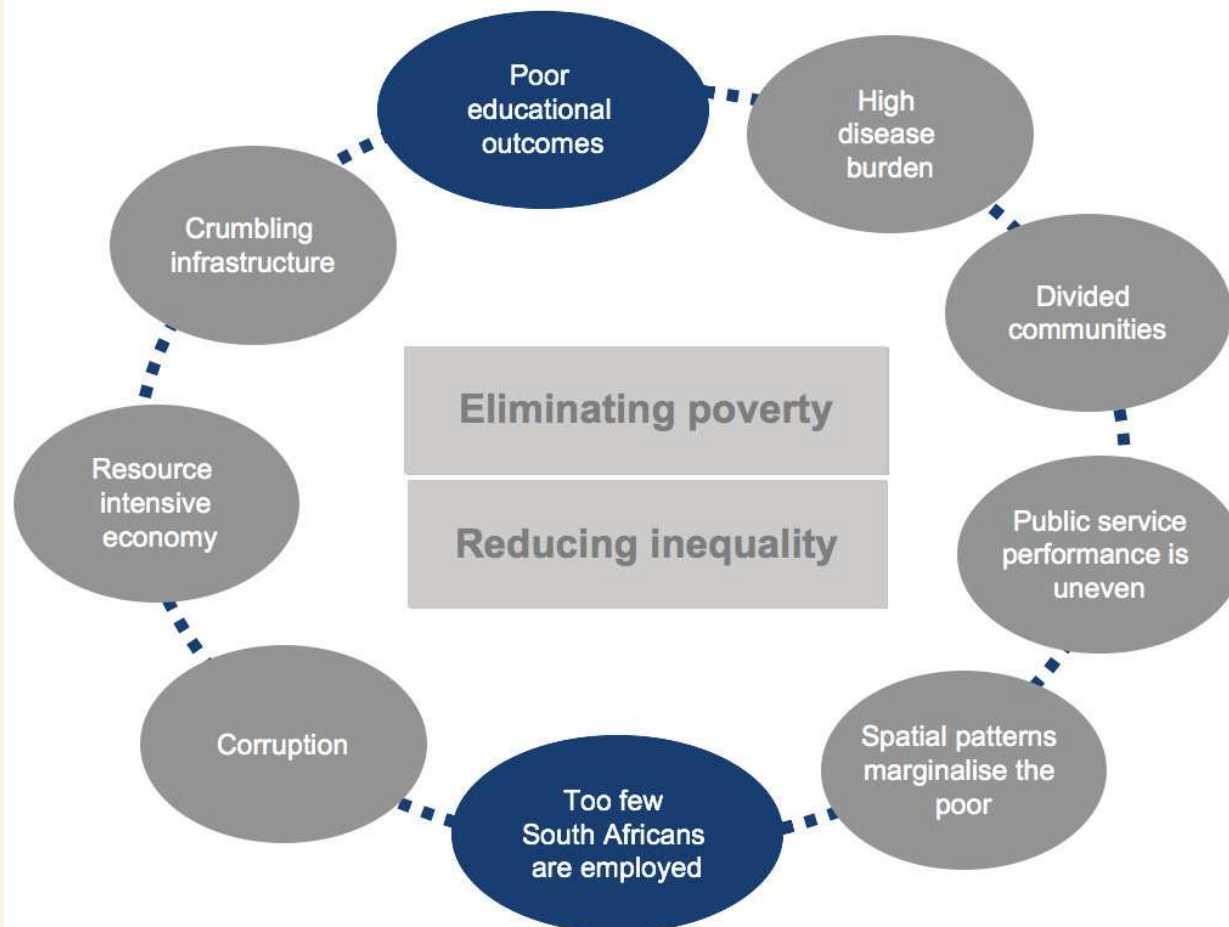
June 2011



Source: Stats SA Quarterly Labour Force Survey

NPC – Diagnostic Review June 2011

Eliminating poverty and reducing inequality are key strategic objectives



“The continued social and economic exclusion of millions of South Africans, reflected in high levels of poverty and inequality, is our biggest challenge.”

Fixing the problem

- ▼ Grow low-skilled employment (because the bulk of the unemployed are poorly skilled)
- ▼ Changing the economic incentives in the private sector to use more labour
- ▼ **Raise productivity through better education and training**

“The key to creating a peaceful and prosperous society for all South Africans is the unleashing of the potential of all citizens to be empowered to become architects of their own future. A central ingredient to achieve this objective is the provision of quality education.”

Leslie Maasdorp – Chairman ADvTECH Group

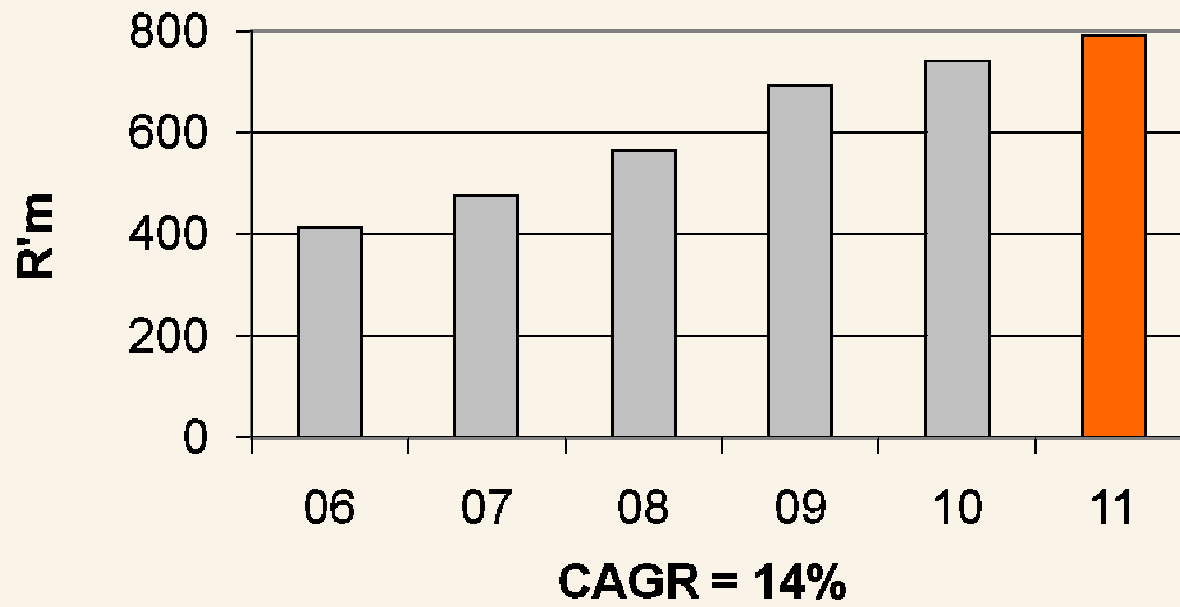
FINANCIAL RESULTS

Financial highlights

	1H2010	1H2011	% change
Revenue	R740m	R791	+7%
Operating profit	R101m	R110m	+10%
Profit for period	R73m	R80m	+10%
HEPS and diluted HEPS	18.2c	20.0c	+10%
Free operating cash flow per share	58.7c	70.3c	+20%
Distribution per share	8.0c	9.5c	+19%

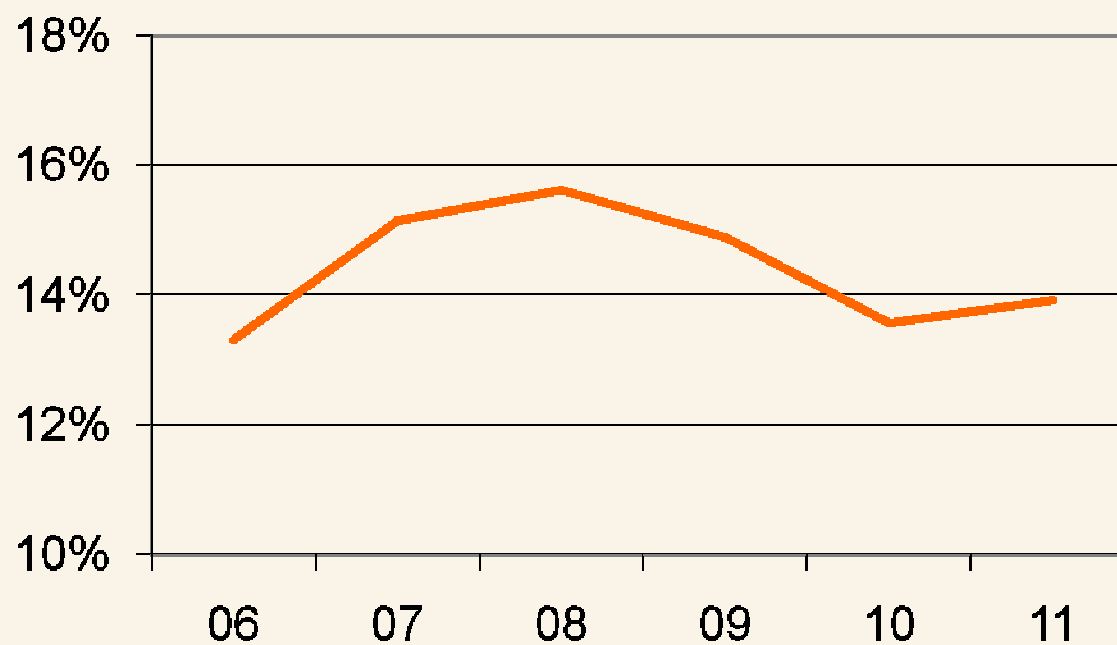
Financial overview

Group revenue

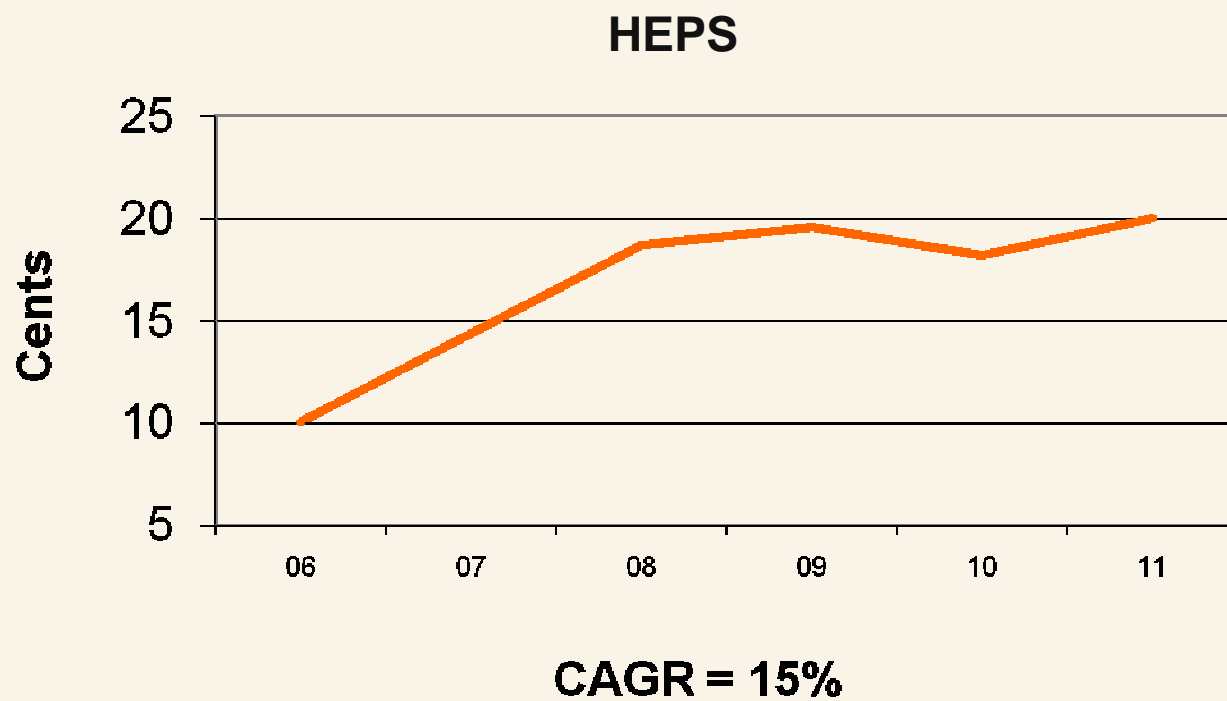


Financial overview

Group operating margin

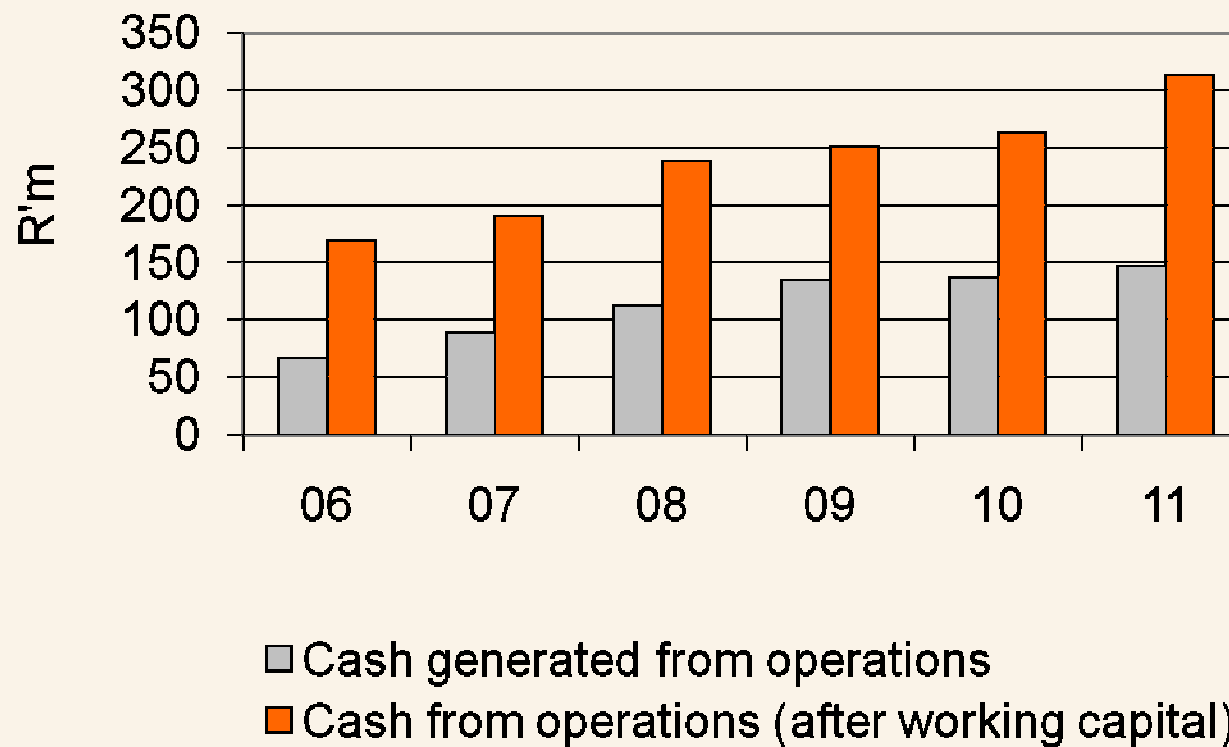


Financial overview



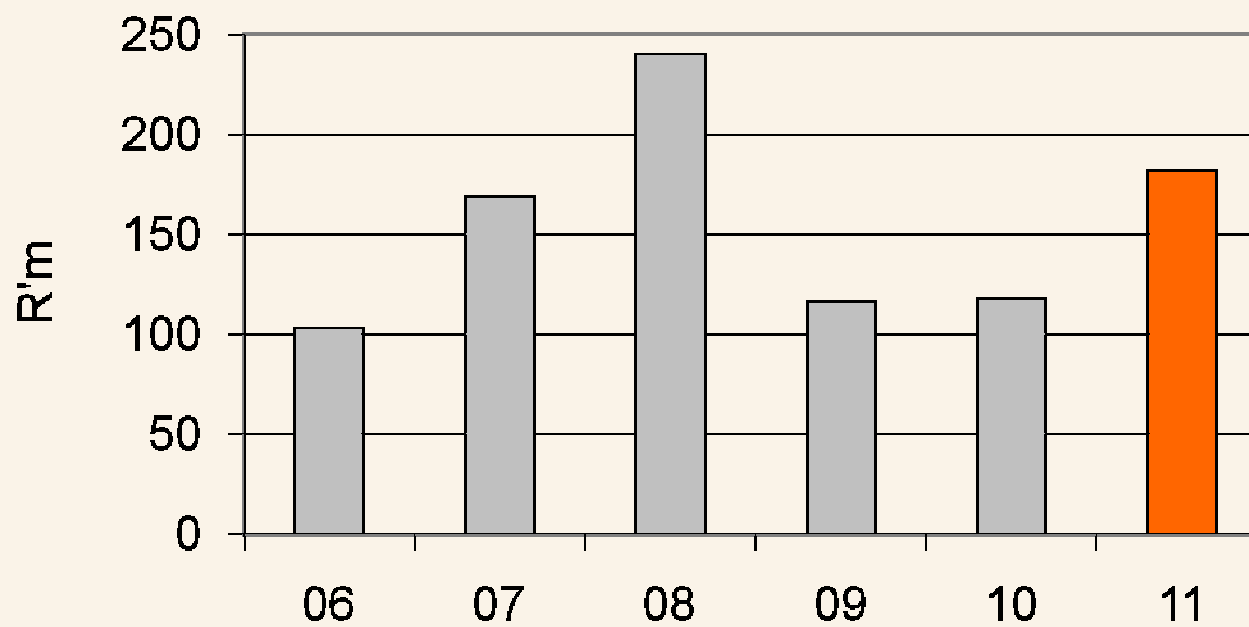
Financial overview

Cash flow generation

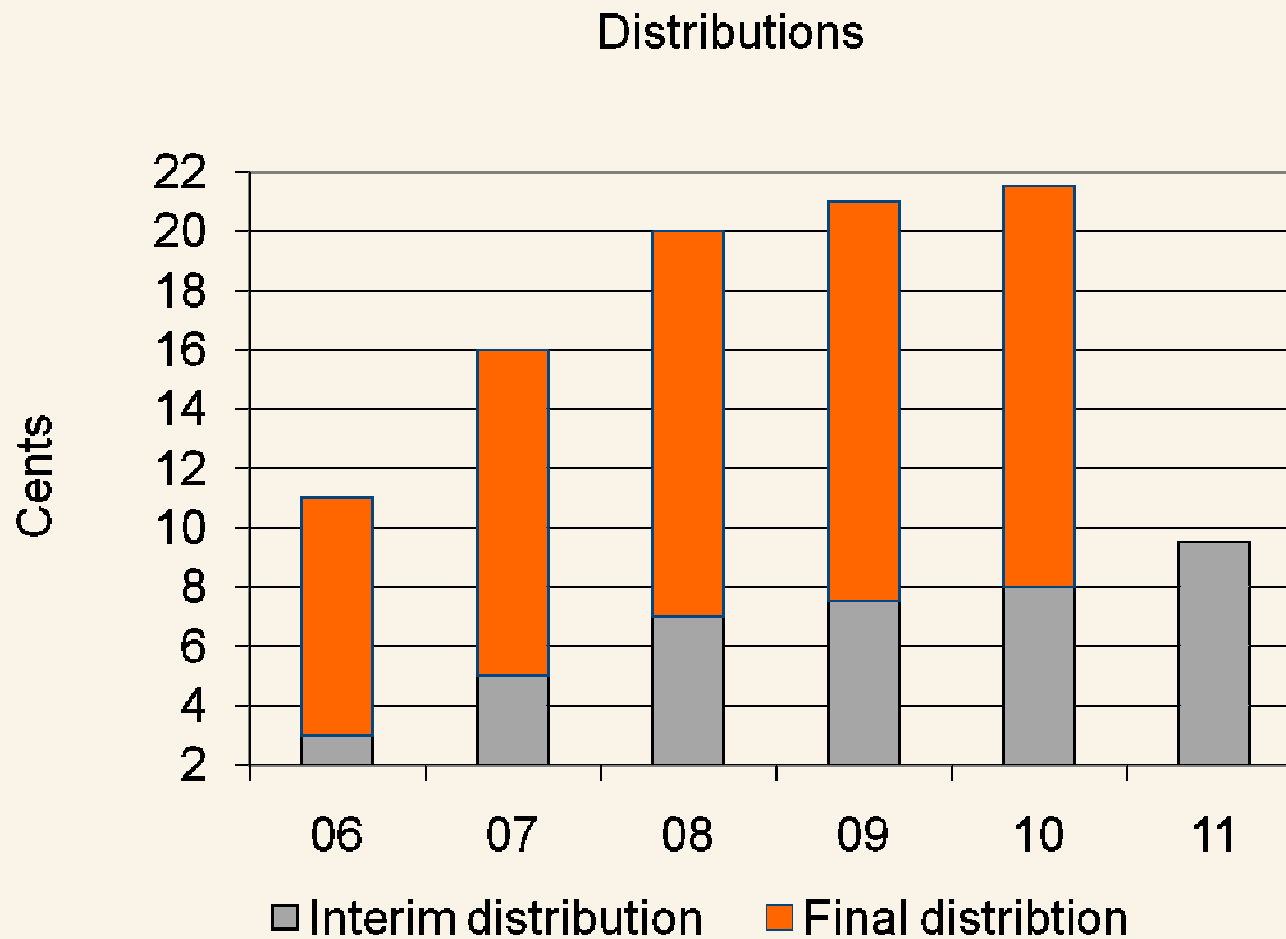


Financial overview

Net cash position



Financial overview



Balance sheet insight

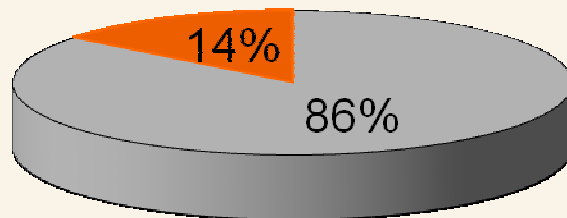
Rm	1H2010	1H2011	% change
NAV	630	706	+12%
Net cash on hand	118	181	+54%
Debtors	120	126	+5%
Intangibles	201	202	+1%
Fixed assets	647	701	+8%
Fees in advance	273	299	+10%

SEGMENTAL ANALYSIS

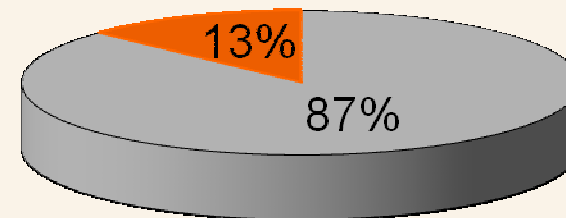
Segmental analysis

Revenue

2010



2011

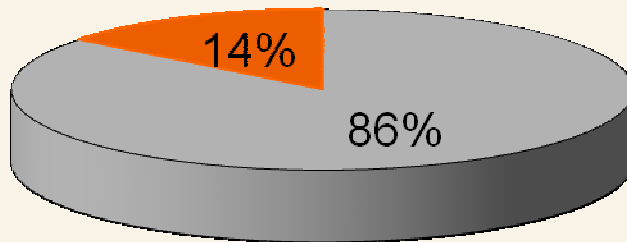


□ Education ■ Resourcing

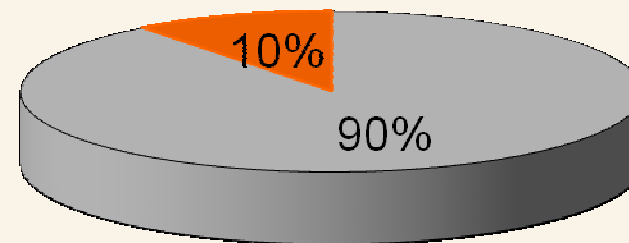
Segmental analysis

Operating profit

2010



2011

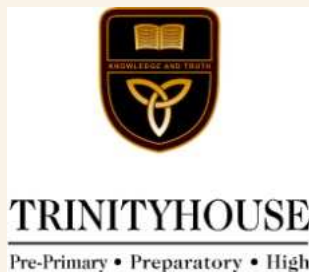


□ Education ■ Resourcing

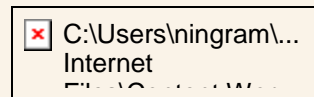
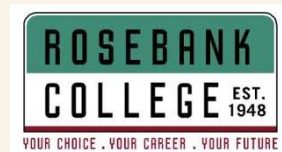
ADvTECH Education brands



SCHOOLS



HIGHER EDUCATION

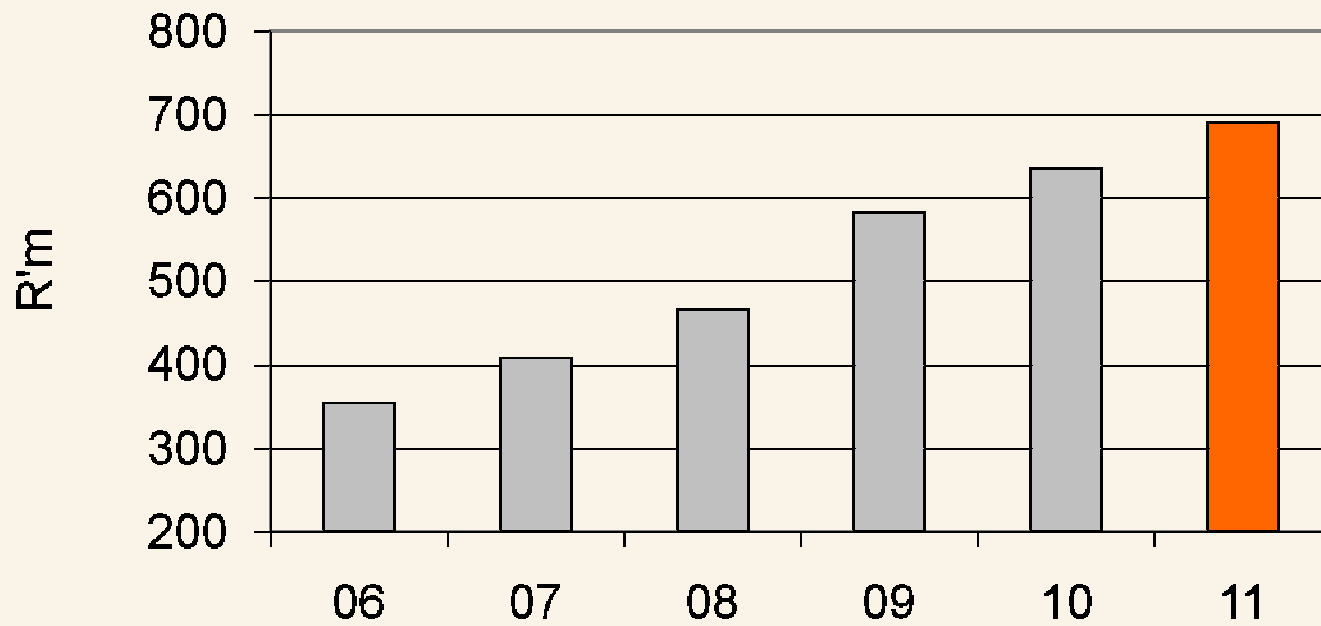


SKILLS



Education division

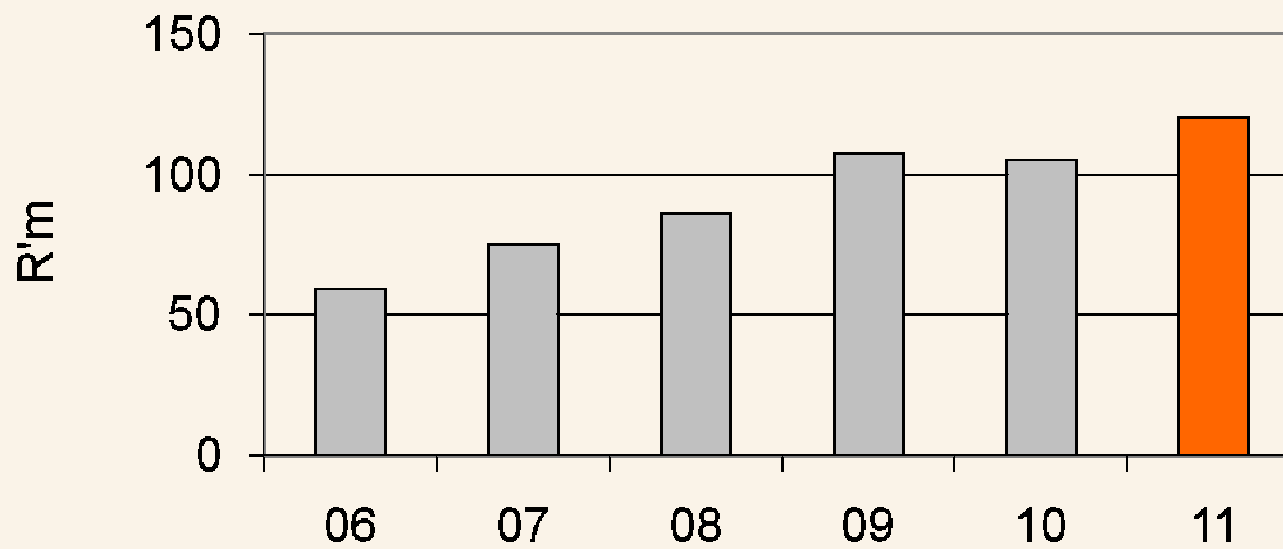
Revenue



CAGR = 14%

Education division

Operating profit



CAGR = 15%

ADvTECH Resourcing brands

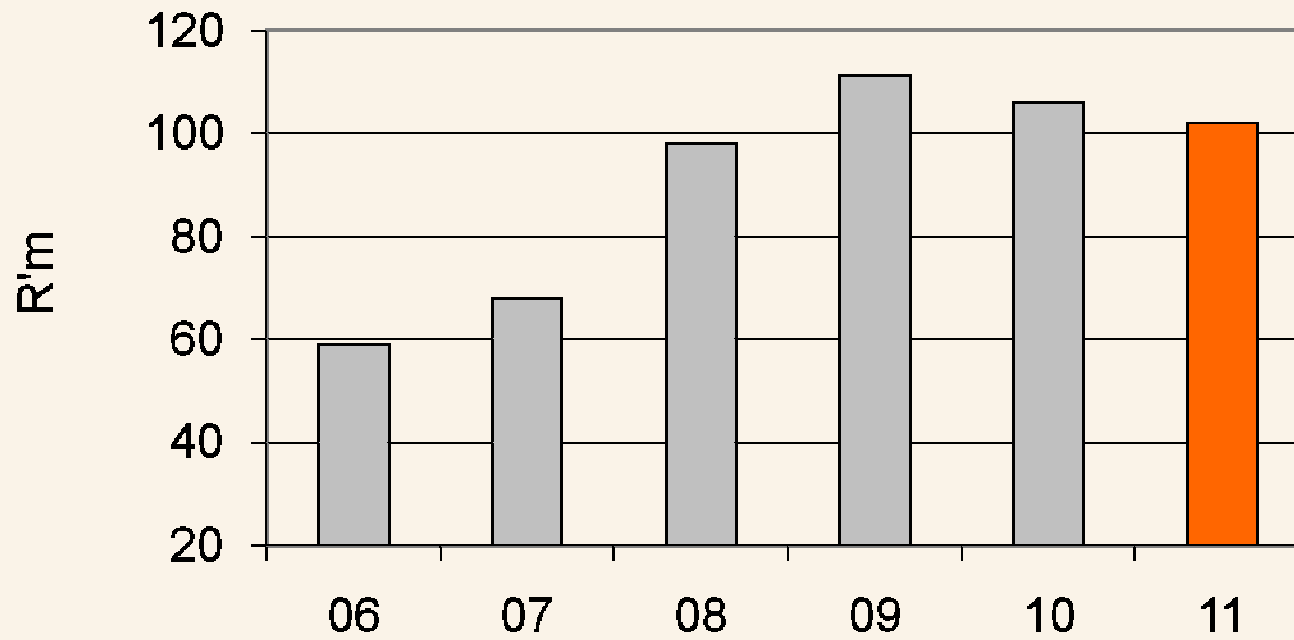
RECRUITMENT

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Website Feb 2010\09
AFS Logos
(2010)\Resourcing\...



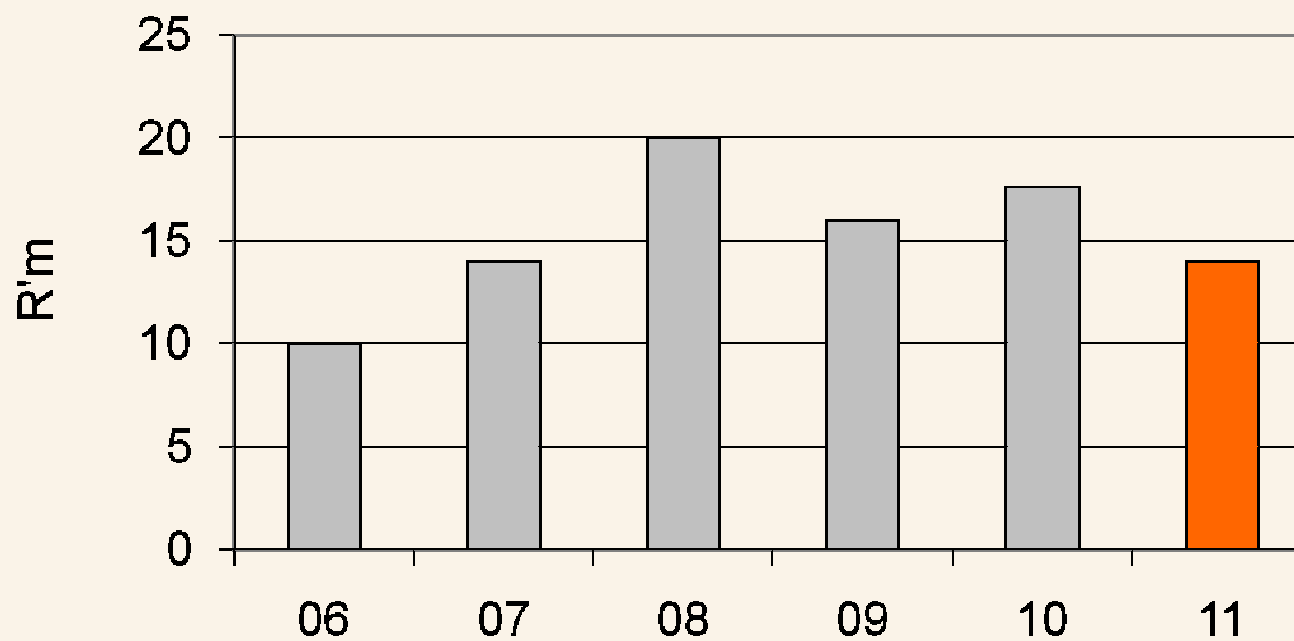
Resourcing division

Revenue



Resourcing division

Operating profit



PROSPECTS

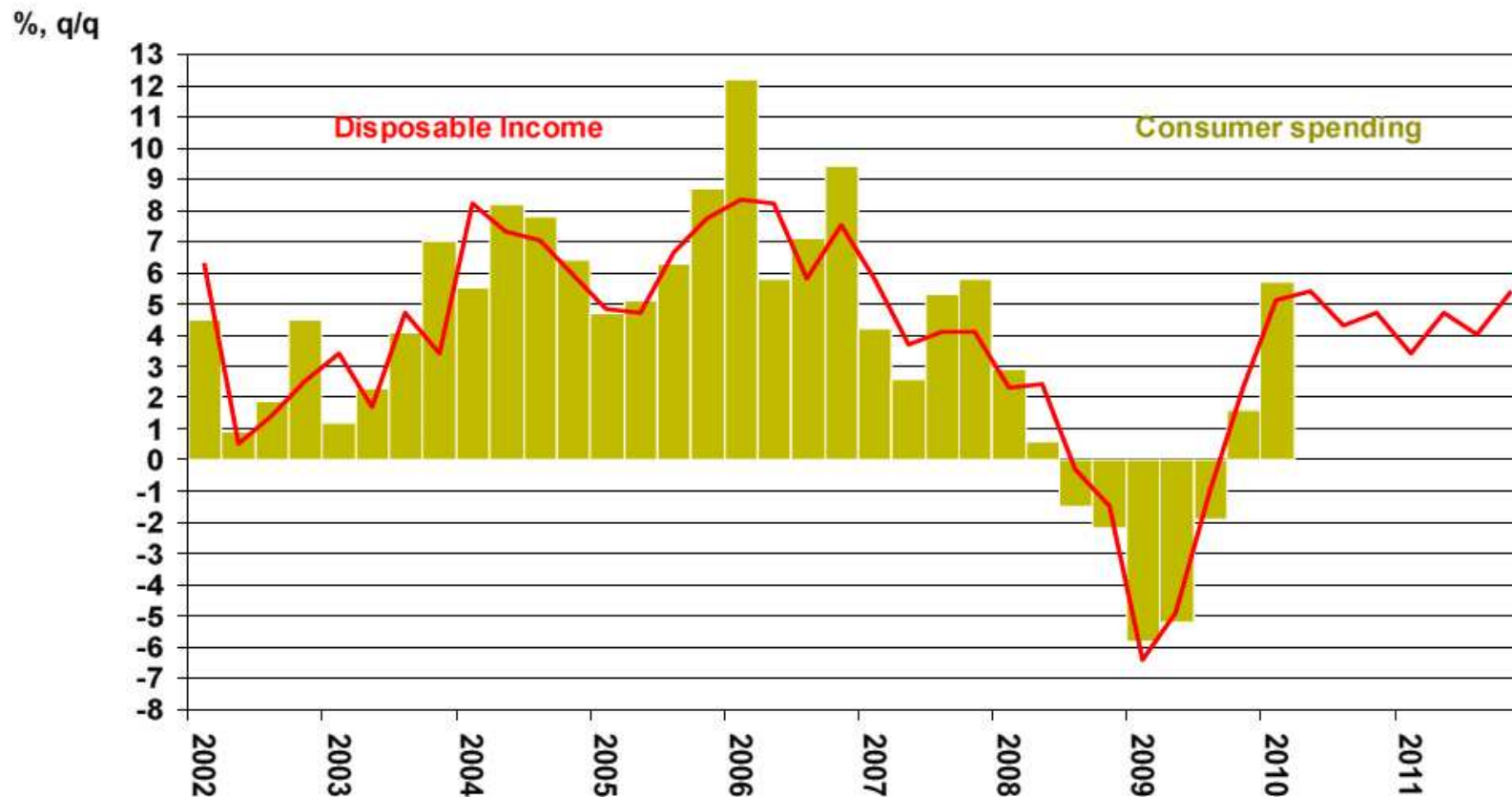
Factors

- ▼ Double dip?
- ▼ Political economy and societal issues – world and SA
- ▼ Job losses continue
- ▼ Some consumers still under pressure

- ▼ Education division returned to growth
- ▼ Rebalancing the Resourcing division to take advantage of market recovery
- ▼ Powerful cash flow
- ▼ Continued investment strategy

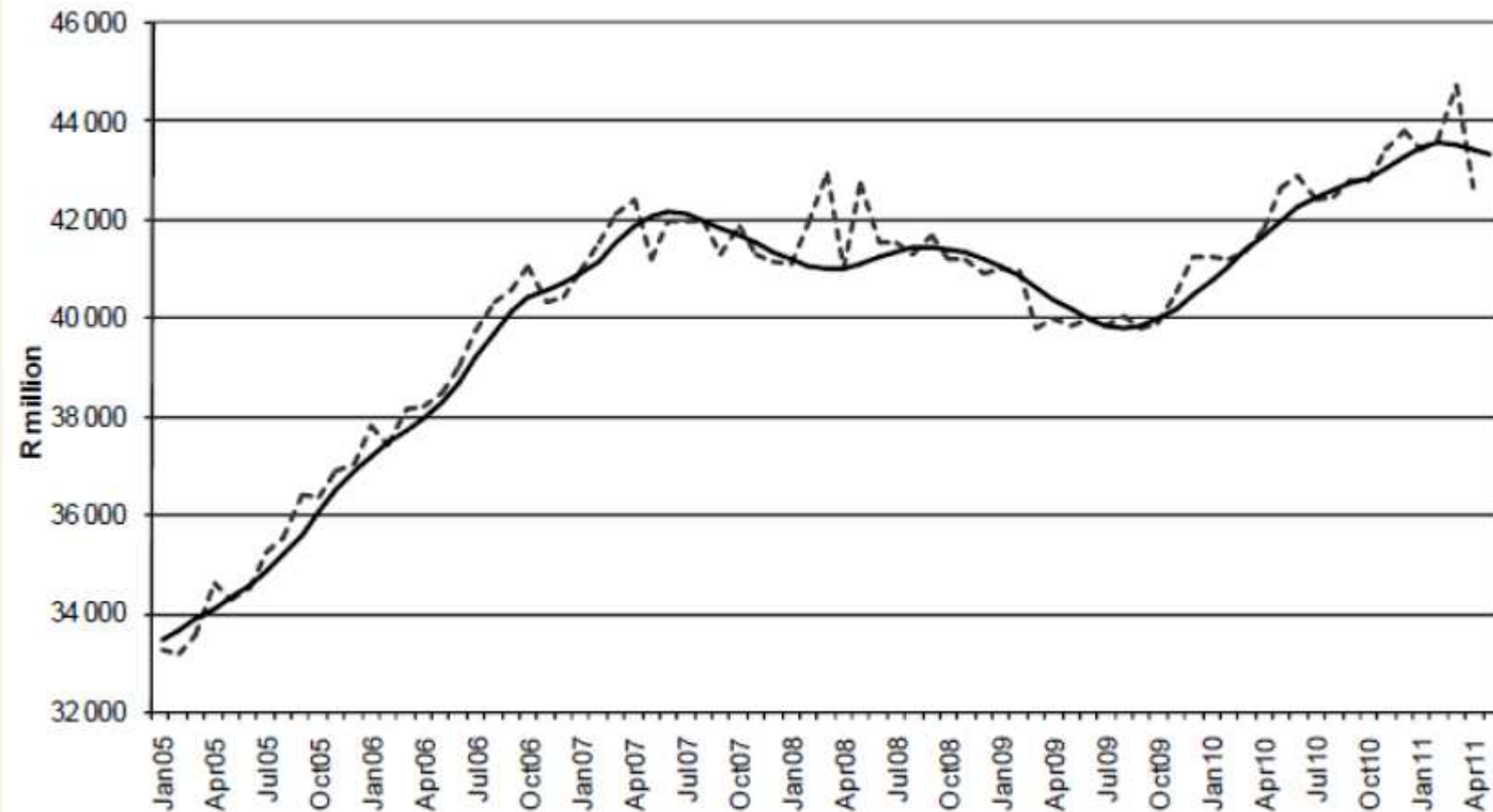
Consumer spending

SA growth in consumer spending vs disposable income



Source: Stanlib

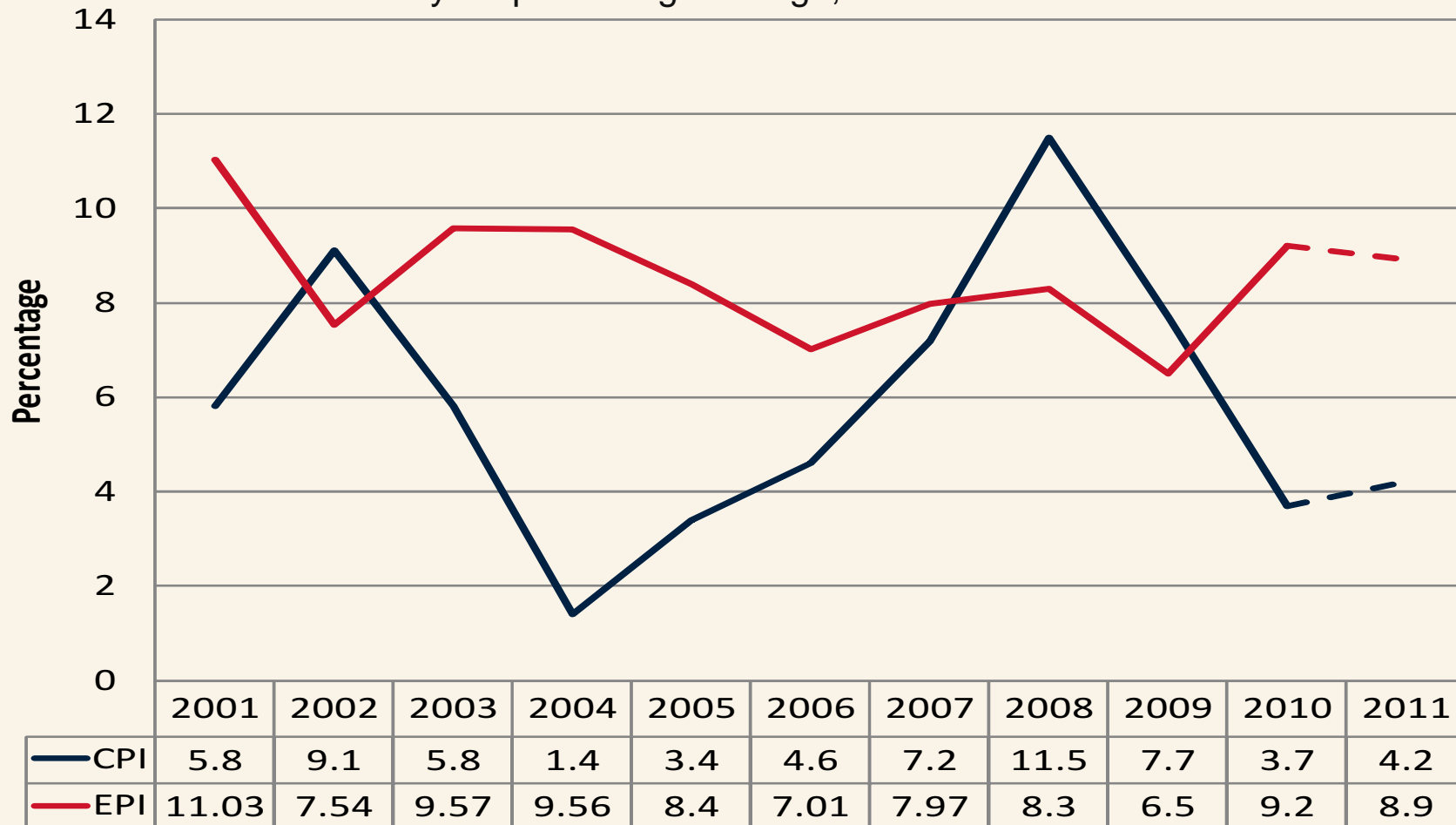
Retail sales trend 2005 - 2011



Source: Stanlib

Price indices

CPI and Education Price Index (EPI)
Year on year percentage change, 2001 to 2011



The Education Price Index component of the CPI is made up of public and independent school fees, tertiary education fees and some sundries related to education (e.g. Boarding. 2011 data up to April)

“Central to addressing these challenges sustainably over time is our ability to create jobs for more people and to improve the quality of education”



Challenge: Education
Providing Better Schools



Challenge: Unemployment
Creating Jobs, Reducing Poverty

Loosening labour regulations to boost job creation

20 AUGUST, 2011 14:32
2 COMMENTS

NKULULEKO NCANA
BUSINESS TIMES

Gordhan 'is the new enemy'

National Union of Metalworkers of SA general secretary Irvin Jim has threatened to call on President Jacob Zuma to fire Finance Minister Pravin Gordhan for continuing to execute what he believes to be neo-liberal "anti-worker" policies.

After Numsa's central committee meeting last week, Jim launched a blistering attack on Gordhan, warning that workers would meet the minister "in the streets" as they now considered him the "enemy" for going ahead with the implementation of the controversial youth wage subsidy.

Gordhan this week told an internal auditors conference in Johannesburg that SA stood to create only four million jobs by 2025 unless it changed some labour policies.



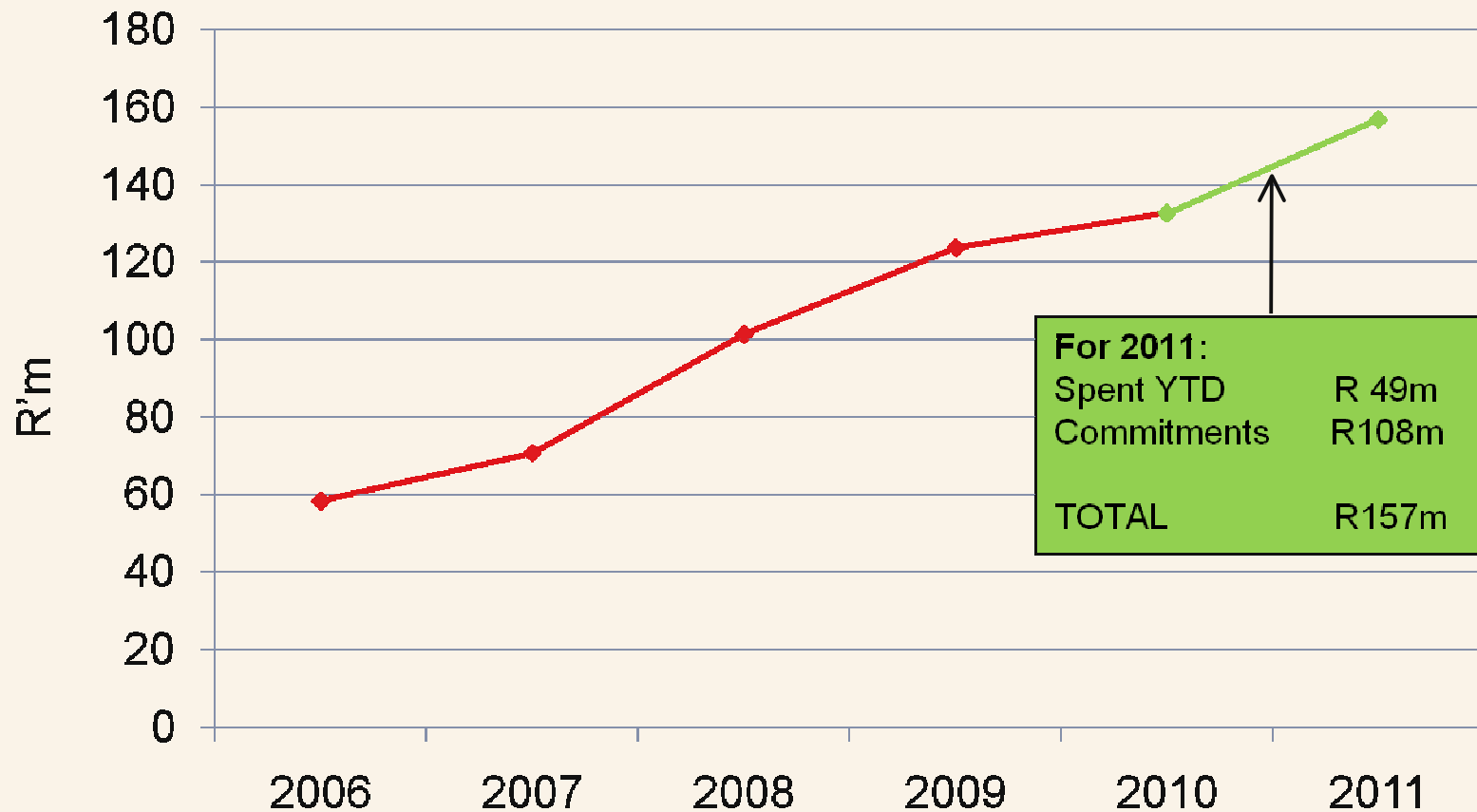
Image: Gallo
Finance Minister Pravin Gordhan

Only 4 million jobs by 2025 unless SA changes some of its labour policies.

"There is a strong view that we will have to do something in SA if, we are to ensure that the tens of thousands of people who are employed are to retain their jobs, still get reasonably decent wages, but not be in a position where those businesses are closed because those businesses can't pay the same wages that are required by the bargaining council.

ADvTECH investment trend

Average new investment flows
CAGR = 25%



TRINITYHOUSE LITTLE FALLS



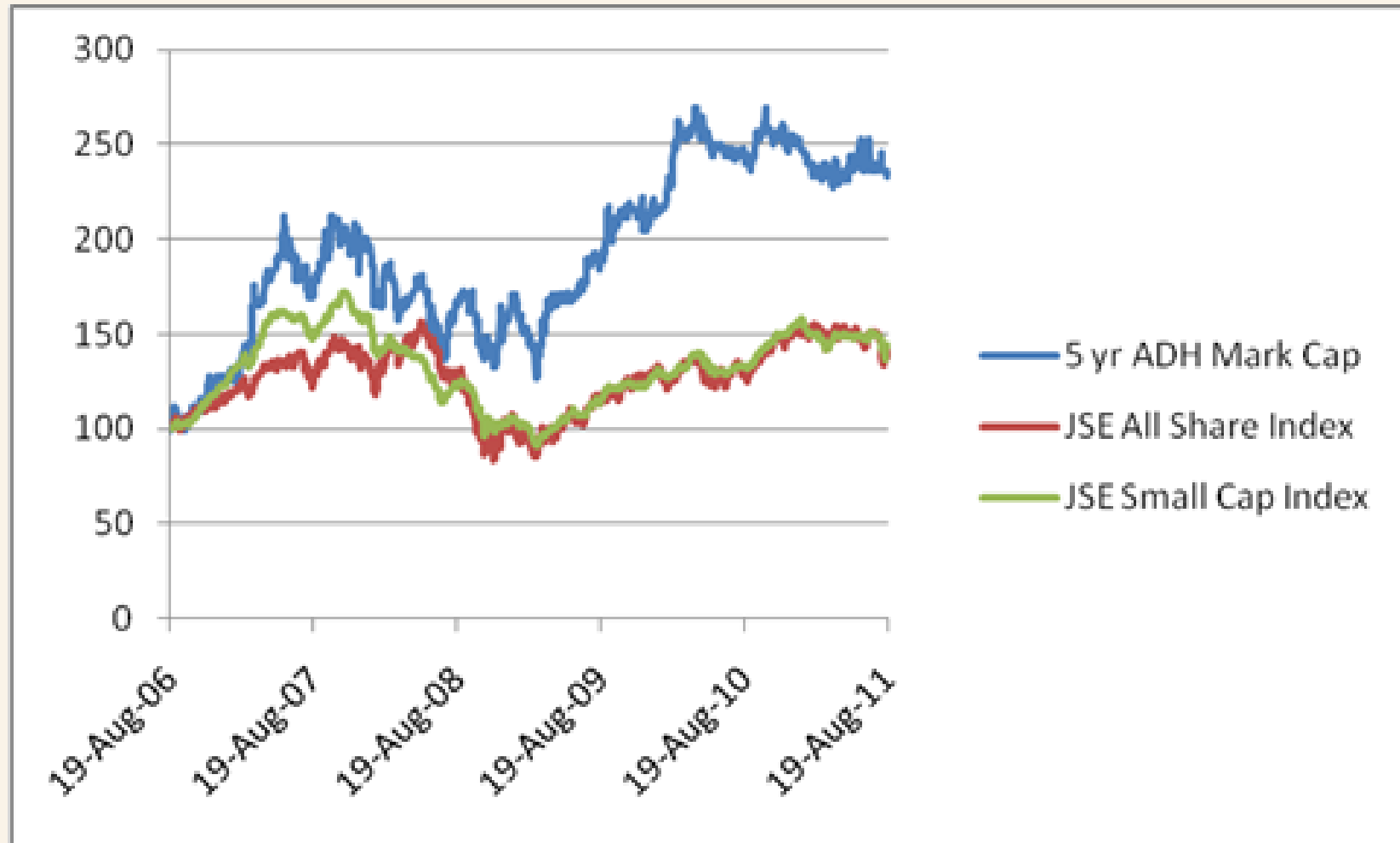




ADvTECH Group

- ▼ Demonstrable demand
- ▼ Action to rebalance Resourcing
- ▼ Ongoing planned investment
- ▼ Subject to economic conditions
- ▼ Continued and improved contribution to the economy

5 Year – Market cap index



QUESTIONS