



Investors' Presentation

14 July 2011

Agenda

- | | |
|------------------------------|-----|
| 1. Welcome | NCW |
| 2. ECN Acquisition | NCW |
| 3. Nashua | NCW |
| 4. Nashua Group presentation | AB |
| 5. Questions | |

ECN acquisition

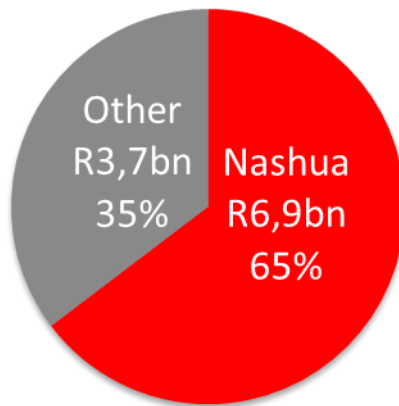
- Announced 14 March 2011 that agreement was reached to purchase ECN Telecommunications
- Announced on 9 June 2011 that we obtained approval
 - Purchase price \pm R180 million
- ECN remains a separate entity but reports to Andy Baker



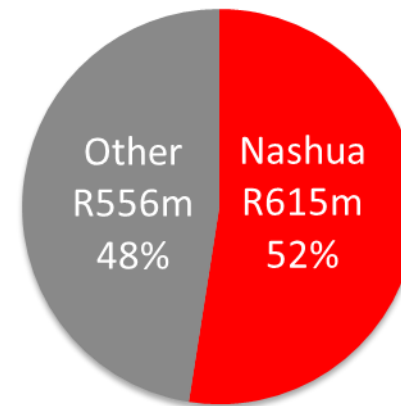
Nashua Group contribution

FY2010

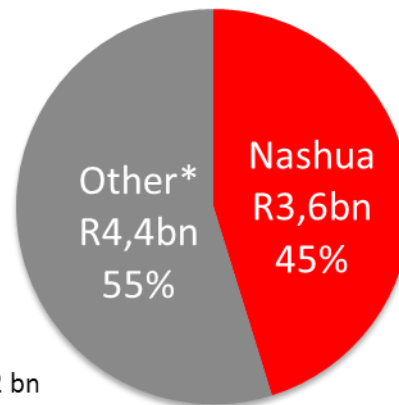
Revenue



Operating Profit



Total Assets



*Net cash R1,2 bn

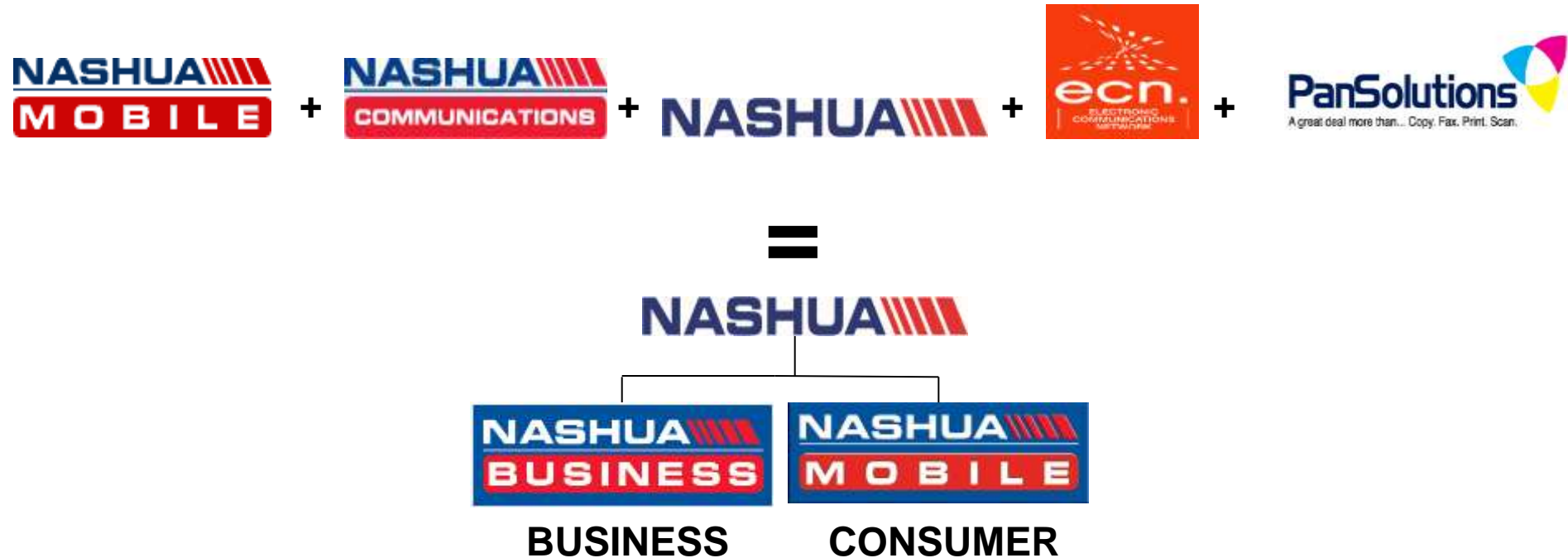
NASHUA GROUP

Re-inventing and
rebuilding an icon

Andy Baker

Nashua One

(Consolidation of 5 companies into 2 divisions, offering streamlined integrated products, including communications, data, printing solutions and professional services in a strategic and consultative approach)



Two focused divisions concentrating on customer centric solutions

Nashua One

- The Nashua group previously consisted of 5 independent businesses operating under the Reunert group umbrella
- The market and our customer demands are changing fast
- Greater demand for single, coordinated and converged communications, printing and data solutions
- Increasing need for efficiencies and customer intelligence

Nashua Mobile

- Largest Service Provider in South Africa
- 850 000 subscribers
- 160 retail stores
- 750 staff
- Mobile Voice and Data

Nashua Office Automation

- No 1 in the SA Office Automation Market (21.1% market share)
- 63 outlets
- 4,4 billion prints per annum
- 92 000 active contracts (MFP and Printers)
- 38 000 customers
- Printers, MFPs, document management software services
- Ricoh and Nashua relationship remains strong – 30 year relationship between the two companies
- Buying back 20% of franchises, representing 80% of revenue

Nashua Communications

- No 1 Leading Enterprise Communications company in South Africa, 20% market share
- Large installed customer base throughout South Africa
- Over 12 000 customers
- Strong focus on Solutions and Systems Integration
- 460 staff
- Voice, Wi-Fi and Unified Communication solutions

ECN

- Largest Corporate IP Voice Network in South Africa, with state of the art network management, billing and monitoring systems
- > 500 Corporate Customers
- > 2000 SME clients
- 25 active Agent channel partners & 65 active Wholesale partners
- 58 staff
- Fixed Voice, Data & converged IP offerings
- ECN's VoIP Network – The ideal solution for the LCR migration

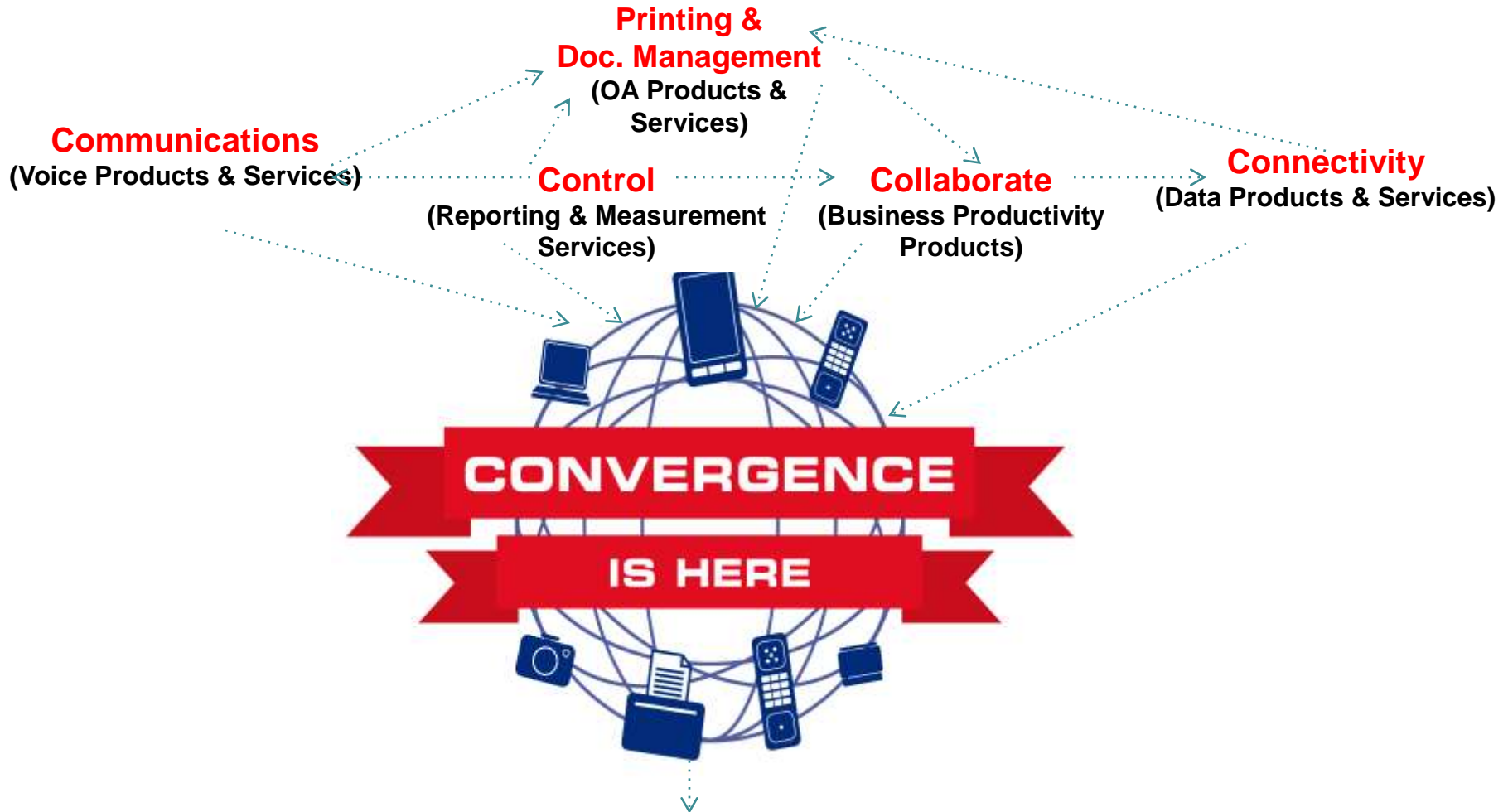
PanSolutions

- Kyocera OA and Panasonic Presentation and Broadcast Distributor
- 29 OA Dealers, 40 Presentation and Broadcast Dealers
- 250 staff
- Office Automation Hardware and Software, Presentation and Broadcast Hardware, Retail

Rationale for Amalgamation

- Customer demands for a 1-stop-shop Communications Solution
- Outdated company structure and need for refresh.
(Product/ Box-drop to Solutions Provider)
- Opportunities around Converging Technologies
- Poor customer understanding and alignment
(any colour you want, as long as it's grey)

Nashua Product Groupings



Process

- Senior team finalised
- First 3 levels of the organisation chart almost complete (Positions, names and numbers)
- Product showcase will be finalised by end July
- Instruction issued NOT to reduce any front-line (Sales / Customer interfacing) people, initially
- Customer involvement in structuring our business
- Drive to become simpler to deal with and user friendly

Structure

- The essence of the structure is Customer Responsiveness and Buying Behaviour alignment
- Basic and simplified Segmentation
 - **Platinum (Strategic)**
 - **Corporate**
 - **SME**
 - Each segment will attract different and tailored pricing

Structure (cont)

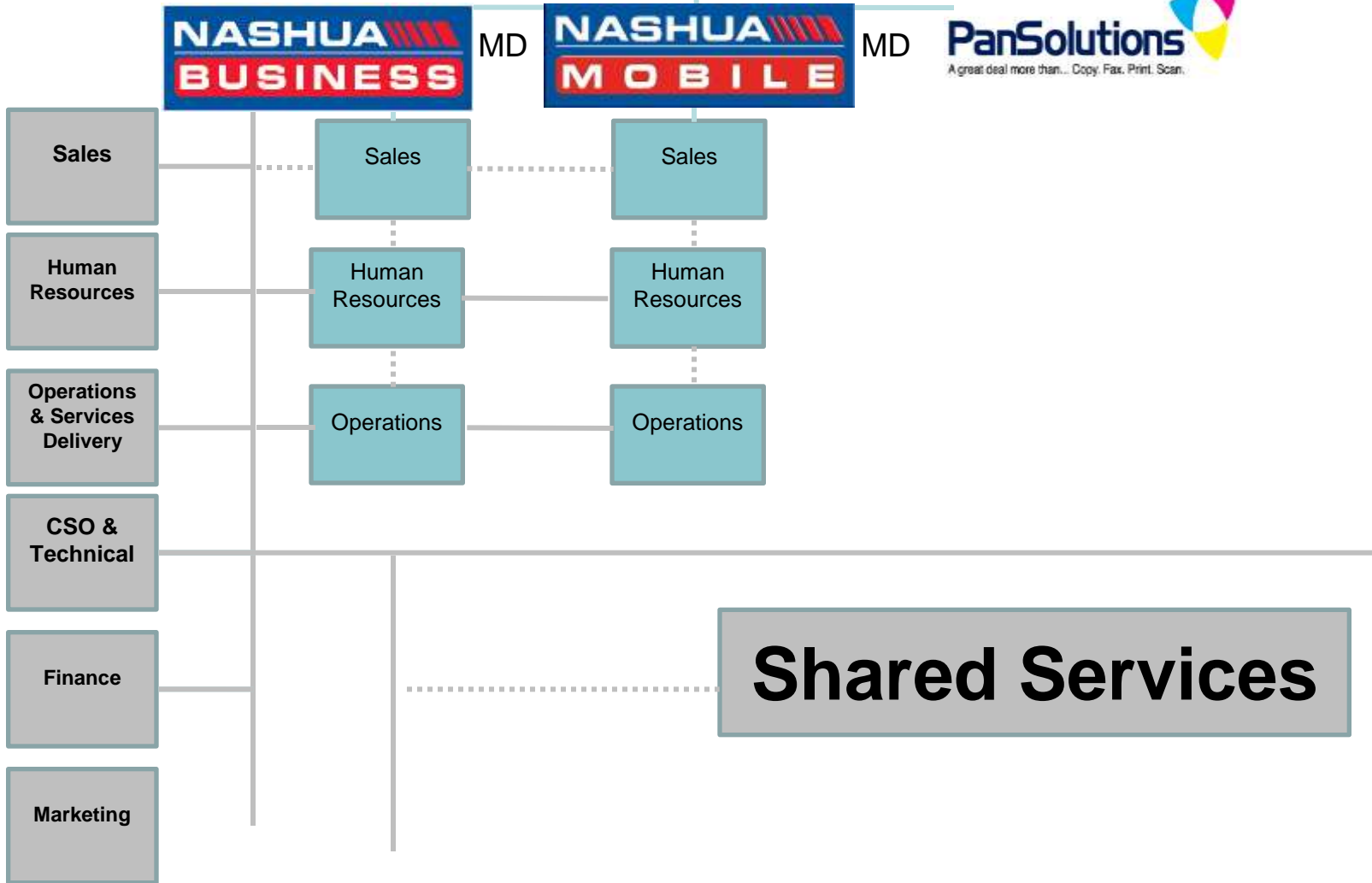
- Each segment will attract tailored and appropriate service
- A **Business Unit Director** will be responsible for customer experience, service quality and profitable growth, in each segment
 - **Accounts** will be managed by Account Managers
 - **Account Managers** will assess customer needs and requirements, business development opportunities and coordinate sales attack from the appropriate business/ product

Commercial Attack

- Introducing fully converged communication solutions to the SA market
- Significant cross-selling opportunities across customer base
- Introduction of Carrier Pre-Select, Q1 2012:
- Process underway
- Duel strategy of subscriber conversion followed by value-add additional services to be bundled to converted subscribers
- Customers will experience a single point of contact
- Migration to Solutions-based selling approach

Comments on Group Org Chart

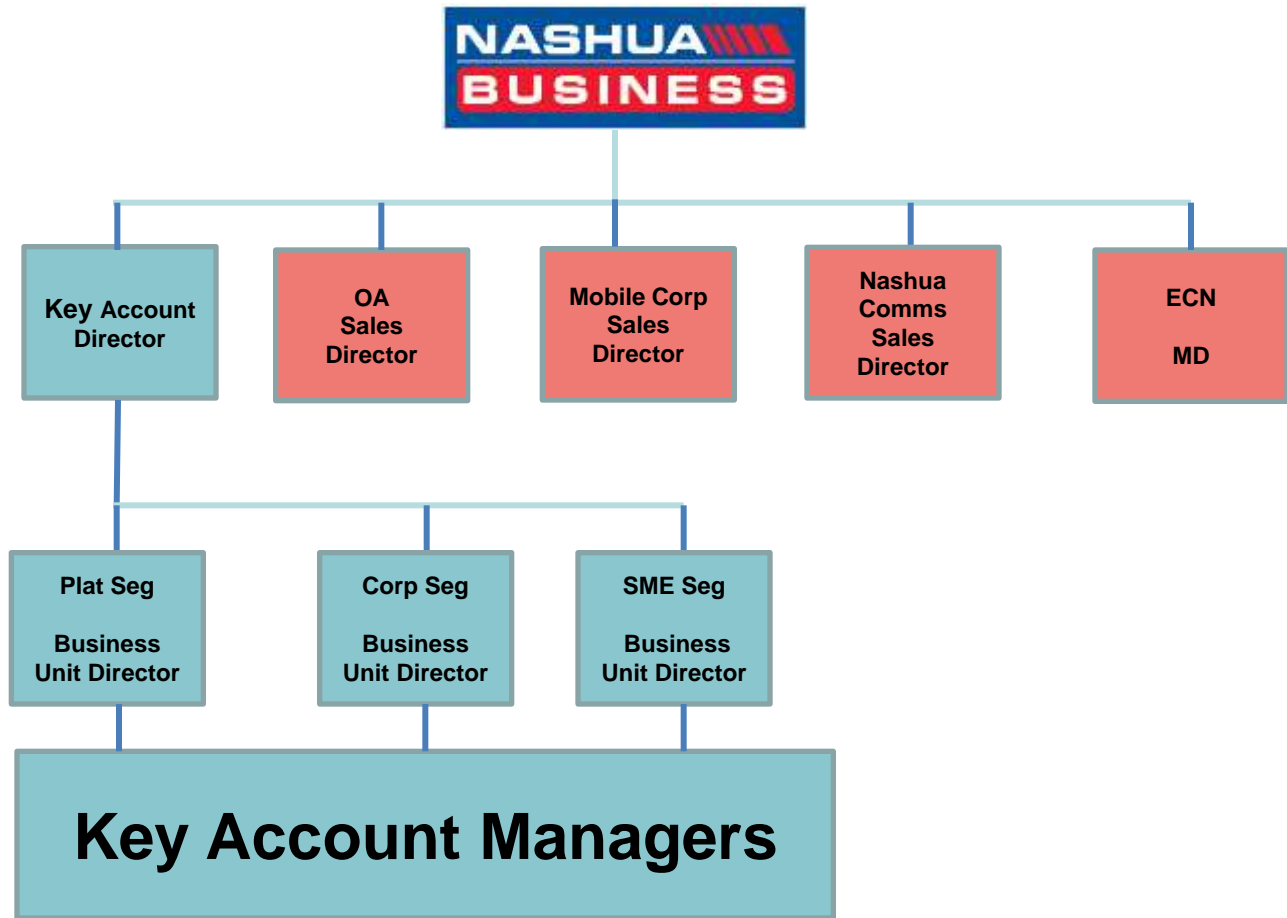
- Two autonomous and separately managed, focused business units
- Functional support at group level to ensure maximum, unencumbered sales focus. (The businesses must be Sales organisations)
- Shared Services for IT, Marketing and Finance
- The objective of the structure is to unlock value



Nashua Business

- All functional responsibilities are removed to allow the business to focus purely on sales
- The core elements of the structure are Segmentation, Solutions Orientation and centralisation of Shared Services
- The positioning of Nashua Business is critical. The following are critical factors:
 - An opportunity exists to position the Nashua Group as the consumer champion (Communication costs, CPS, etc)
 - Transition from Product driven business to Solutions Provider
 - Pro-active sales philosophy driving Converged Services
 - Unique Selling Proposition MUST be around Service, Converged Technology (1-stop-shop) and Value (not price)
 - Converged offering must be completed with IT capability (Acquisition of IT company planned)

Nashua Business



Comments on Nashua Consumer structure

- Value proposition based on choice – service pre and post support
- Reseller representation in key national locations
- Retention through service delivery, value and loyalty programme
- Re-think on managing walk-in business

Nashua Group Launch Plan

- Project underway to:
 - Align the organisation and channels to the new sales structure
 - Ensure that operations can support the channels
 - Align the product suites across all companies
- Training of all sales and support staff will take place during August 2011.
- Launch date – 1 September 2011
 - Press and media launch
 - Marketing campaign commences 4 September 2011
 - National road-show to staff and customers

Questions