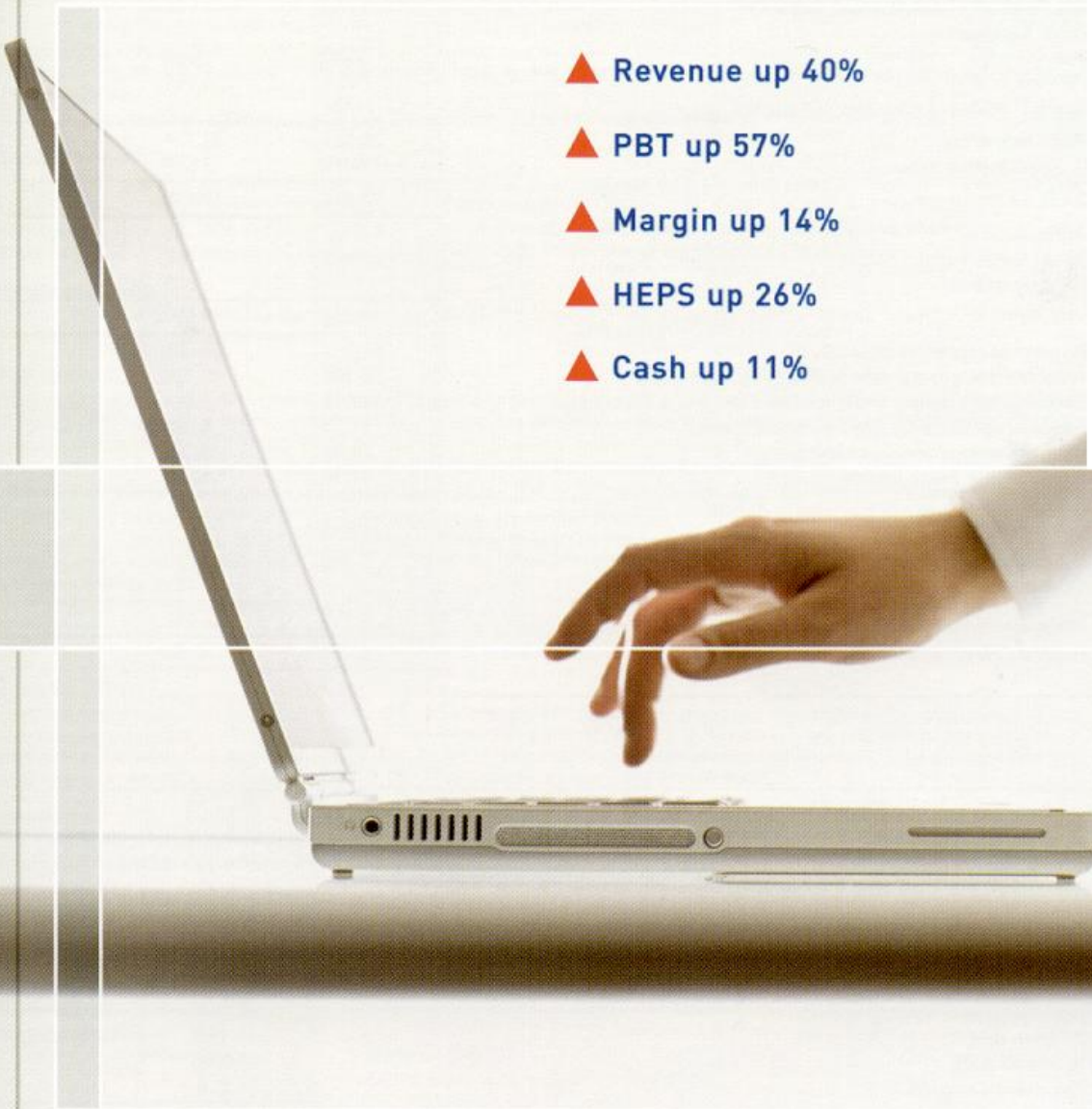




**AUDITED FINANCIAL REPORT**  
FOR THE YEAR ENDED 31 JULY 2005

- ▲ Revenue up 40%
- ▲ PBT up 57%
- ▲ Margin up 14%
- ▲ HEPS up 26%
- ▲ Cash up 11%



**Systems** make it possible...  
**People** make it happen!

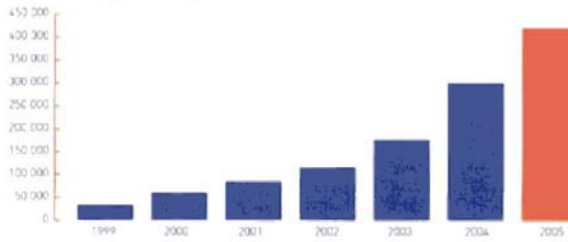
GROUP INCOME STATEMENT	Audited 12 months to 31 July 2005 (R'000)	Audited 12 months to 31 July 2004 (R'000)	Change (%)
Revenue	420 225	299 535	40
Gross profit	46 551	29 175	60
Depreciation	(5 774)	(4 825)	
Amortisation of goodwill	(3 348)	(1 125)	
Amortisation of development costs	(2 040)	(2 024)	
Other expenses			
Finance costs	(858)	(668)	
Finance income	1 676	2 746	
Share of profits of associate companies	294	-	
Profit before tax	36 501	23 279	57
Income taxation expense	(12 699)	(3 845)	
Profit for the period	23 802	19 434	22
Attributable to:			
Equity holders of the parent	23 802	19 134	
Minority interest	-	300	
	23 802	19 434	
Number of shares in issue ('000)	51 267	50 667	
Weighted average number of shares in issue ('000)	50 305	47 111	
Earnings per ordinary share (cents)	47,32	40,61	17
Headline earnings per ordinary share (cents)	53,97	42,84	26
Diluted earnings per share (cents)	38,03	36,79	
Dividends per share (cents)	11,50	10,00	
Reconciliation between earnings and headline earnings:			
Net profit for the period	23 802	19 134	
Goodwill amortised	3 348	1 125	
Capital profit	-	(79)	
Headline earnings	27 150	20 180	
Headline earnings per ordinary share (cents)	53,97	42,84	

ABRIDGED GROUP CASH FLOW STATEMENT	Audited 12 months to 31 July 2005 (R'000)	Audited 12 months to 31 July 2004 (R'000)
Cash generated from trading operations	46 845	29 096
Decrease in working capital	11 921	30 413
Cash generated from operations	58 766	59 509
Taxation paid	(9 150)	(2 062)
Dividends paid	(5 063)	(3 531)
Net interest income	818	2 078
Cash inflow from operating activities	45 371	55 994
Cash outflow to investing activities	(17 808)	(53 424)
Cash outflow/inflow from financing activities	(20 901)	18 729
Net increase in cash and cash equivalents	6 662	21 299
Cash and cash equivalents at the beginning of the period	61 695	40 396
Cash and cash equivalents at the end of the period	68 357	61 695

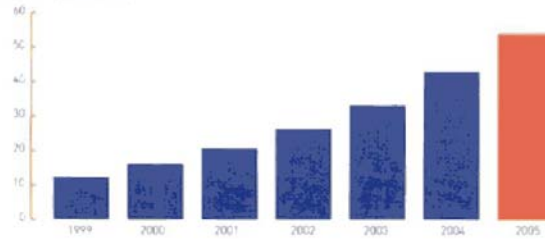
GROUP BALANCE SHEET	Audited 31 July 2005 (R'000)	Audited 31 July 2004 (R'000)
<b>ASSETS</b>		
<b>Non-current assets</b>	90 666	34 413
Property, plant and equipment	9 291	8 017
Goodwill	71 621	18 636
Other intangible assets	4 567	6 606
Investment in associate	295	-
Loans receivable	652	132
Deferred tax	(4 240)	(1 022)
<b>Current assets</b>	157 045	133 885
Inventory	1 295	55
Trade receivables	82 589	70 592
Other current assets	4 081	1 543
Cash and cash equivalents	69 080	61 695
<b>Total assets</b>	247 711	168 298
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>	89 038	67 548
Share capital	501	471
Share premium	10 797	8 306
Other reserves	705	471
Retained earnings	77 035	58 300
<b>Non-current liabilities</b>	38 580	25 200
Vendors for acquisition	32 864	22 375
Long-term borrowings	5 716	2 825
<b>Current liabilities</b>	120 093	75 550
Trade and other payables	74 127	42 767
Deferred revenue	36 456	27 961
Bank overdraft	723	-
Taxation	8 787	4 822
<b>Total equity and liabilities</b>	247 711	168 298
Net asset value per share (cents)	173,68	133,32

STATEMENT OF CHANGES IN ORDINARY SHAREHOLDERS' INTEREST	Audited 31 July 2005 (R'000)	Audited 31 July 2004 (R'000)
<b>Share capital and premium</b>	11 298	8 777
Balance at beginning of period	8 777	8 899
Issue of shares – share capital	6	-
Issue of shares – share premium	912	-
Movement in treasury shares	1 099	245
Treasury shares held in the EOH Share Trust	504	(367)
<b>Distributable reserves</b>	77 740	58 771
Balance at beginning of period	58 771	43 183
Attributable income	23 802	19 134
Dividends	(5 067)	(3 547)
Movement in treasury shares	131	153
Treasury shares held in the EOH Share Trust	272	60
Movement in other reserves	(169)	-
Outside shareholders' interest	-	(212)
<b>Ordinary shareholders' interest</b>	89 038	67 548

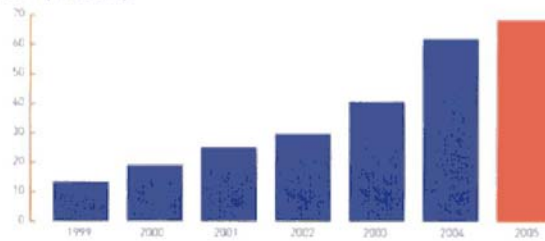
Revenue (R'000)



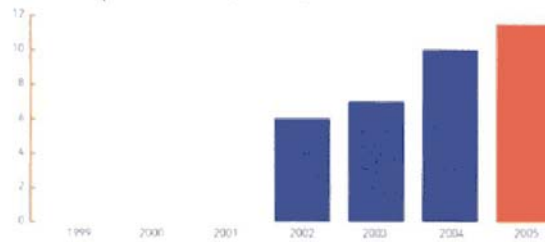
HEPS (cents)



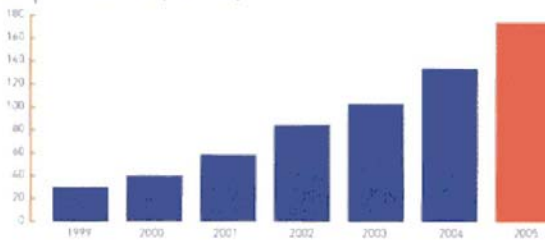
Cash (R'000)



Dividends per share (cents)



NAV per share (cents)



## COMMENTARY

### Group profile

*EOH is a business and technology solutions provider creating life-long partnerships by developing business and IT strategies, supplying and implementing solutions and managing enterprise-wide business systems and processes for medium to large clients.*

EOH operates as a fully integrated business in the following three clusters of business units:

**Consulting** – Includes various business units offering services ranging from strategic and business process consulting, program and project services, change management, supply chain optimisation and education. This cluster also develops IT strategy, advises on enterprise architecture, IT governance and risk management.

**Technology** – Through a number of subsidiary companies, EOH is able to sell, implement and support a range of world-class business applications including ERP, CRM, Business Intelligence, Advanced Planning and Scheduling, e-Commerce, Manufacturing Execution Systems (MES) and Technology Performance Management Solutions.

**Outsourcing** – EOH offers comprehensive maintenance and support of clients' IT infrastructure and applications through the rendering of full IT Outsourcing, Application Hosting and Managed Services. In addition EOH offers full Business Process Outsourcing (BPO) services.

EOH has a presence in all major centres in South Africa, Botswana and also operates elsewhere in Africa.

### Basis of preparation

The financial statements of the Group have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practice. The accounting policies used are consistent with those of the prior year.

The Group's auditors, IAPA Johannesburg Chartered Accountants (SA), have audited the financial information for the year to 31 July 2005. Their unqualified audit report is available for inspection at the registered office of EOH.

### Financial results

The board is satisfied with the performance for the period under review. Turnover, profit, margin, headline earnings per share and cash resources are up.

### Future plans

EOH is now a major player in the consulting, technology and outsourcing arena, with an extensive range of products and services serving various markets and industries. EOH has achieved critical mass which will allow the business to forge ahead towards its vision of being the

*"No.1 Business & Technology Solutions Provider in Africa"*

Now that all its operations are housed under one roof, the Group can better capitalise on the very large customer base with opportunities to add further value to its existing and future customers.

EOH's growth strategy is based on 4 elements: organic growth of the business units; acquisitions that fit the business culture and model; creating new businesses; and the provision of integrated solutions involving multiple product and service offerings by EOH.

EOH's reputation, market penetration and recognition are contributing handsomely to the continuous strengthening of the EOH brand, which is crucial to its growth plans. On 14 September 2005, EOH shareholders approved the name change to "EOH Holdings Limited".

### Transformation

Through the creation of the Mthombo Trust for the group's PDI (previously disadvantaged individuals) employees, which currently represent 35% of the total staff complement, and the M-IT merger, EOH now has an empowered business in the areas of broad based equity, employee profile, board representation and operational management. EOH believes that the new reality forms only the base from which the organisation will continue to transform.

### Dividends

Notice is hereby given that a cash dividend of 11,5 cents per share ("the dividend") has been declared and is payable to shareholders recorded in the books of EOH at the close of business on Friday, 28 October 2005. Shareholders are advised that the last day to trade "cum" the dividend will be Friday, 21 October 2005. The shares will trade "ex" dividend as from Monday, 24 October 2005. Payment will be made on Monday, 31 October 2005. Share certificates may not be dematerialised or rematerialised during the period Monday, 24 October 2005 to Friday, 28 October 2005, both days inclusive.

### Asher Bohbot

*(Chief Executive Officer)*

21 September 2005

### Registered office:

Block D, Gillooly's View, 1 Osborne Lane, Bedfordview, 2008  
Tel: (011) 607 8100, fax: (011) 616 9929, website: www.eoh.co.za, e-mail: info@eoh.co.za

### Directors:

Dr Mathews Phosa *(Non-executive Chairman)*, Asher Bohbot *(Chief Executive Officer)*, Rob Sporen *(Dutch)*, Lucky Khumalo, Jane Thomson, Ken Cullinan, John King, Dion Ramoo, Nkosinathi Khumalo

### Company Secretary:

S P Matheson

For further information, please contact  
Rob Sporen on the above numbers or on cell: 082 444 7533



Partner for life