

▲ **REVENUE UP 69%**

▲ **EPS UP 32%**

▲ **HEPS UP 30%**

▲ **CASH UP 53%**

▲ **DIV UP 43%**

Group Income Statements

	Audited 12 months to 31 July 2004 (R'000)	Audited 12 months to 31 July 2003 (R'000)	Change (%)
Revenue	299 535	175 969	69
Profit before interest	22 326	16 398	36
Net interest received	2 078	1 652	
Profit from operations before goodwill	24 404	18 050	35
Goodwill amortised	(1 125)	(1 123)	
Profit from operations	23 279	16 927	
Taxation	(3 845)	(2 320)	
Outside shareholders' interest	(300)	(212)	
Net profit for period	19 134	14 395	33
Number of shares in issue ('000)	50 667	50 667	
Weighted average number of shares in issue ('000)	47 111	46 934	
Earnings per ordinary share (cents)	40,61	30,67	32
Headline earnings per ordinary share (cents)	42,84	33,06	30
Diluted earnings per share (cents)	36,79	29,43	25
Dividends per share (cents)	10,00	7,00	43
Reconciliation between earnings and headline earnings:			
Net profit for period	19 134	14 395	
Goodwill amortised	1 125	1 123	
Capital profit	(79)	–	
Headline earnings	20 180	15 518	
Headline earnings per ordinary share (cents)	42,84	33,06	

Group Balance Sheets

	Audited 31 July 2004 (R'000)	Audited 31 July 2003 (R'000)
ASSETS		
Non-current assets		
Tangible assets	8 017	3 850
Intangible assets	25 242	27 333
Loans receivable	132	132
Current assets		
Trade receivables	70 592	26 675
Other receivables	1 543	1 849
Inventory	55	78
Cash and cash equivalents	61 695	40 396
Total assets	167 276	100 313
EQUITY AND LIABILITIES		
Ordinary shareholders' interest	67 548	52 082
Non-current liabilities		
Vendors for acquisition	22 375	6 040
Interest bearing borrowings	2 825	522
Deferred taxation	(1 022)	360
Current liabilities		
Trade and other liabilities	42 767	21 059
Deferred revenue	27 961	18 594
Taxation	4 822	1 656
Total equity and liabilities	167 276	100 313
Net asset value per share (Cents)	133,32	102,79

Group Cash Flow Statements

	Audited 12 months to 31 July 2004 (R'000)	Audited 12 months to 31 July 2003 (R'000)
Operating income before interest and taxation	22 326	16 398
Non-cash items	6 770	4 332
Cash generated from trading operations	29 096	20 730
Decrease/(Increase) in working capital	30 413	(4 203)
Cash generated from operations	59 509	16 527
Taxation paid	(2 062)	(853)
Dividends paid	(3 531)	(3 040)
Net interest income	2 078	1 652
Cash inflow from operating activities	55 994	14 286
Cash outflow to investing activities	(53 424)	(2 743)
Cash inflow/(outflow) from financing activities	18 729	(735)
Net increase in cash and cash equivalents	21 299	10 808
Cash and cash equivalents at beginning of period	40 396	29 588
Cash and cash equivalents at end of period	61 695	40 396

**Statement of Changes in
Ordinary Shareholders' Interest**

	Audited 31 July 2004 (R'000)	Audited 31 July 2003 (R'000)
Share capital and premium	8 777	8 899
Balance at beginning of period	8 899	11 174
Reissue/(Repurchase) of shares held by subsidiary	245	(1 618)
Effects of consolidating the EOH Share Trust	(367)	(657)
Distributable reserves	58 771	43 183
Balance at beginning of period	43 183	31 518
Attributable income	19 134	14 395
Dividends	(3 547)	(3 040)
Reissue of shares held by subsidiary	153	92
Effects of consolidating the EOH Share Trust	60	6
Outside shareholders' interest	(212)	212
Ordinary shareholders' interest	67 548	52 082

Comments

Group profile

EOH is a business and technology solutions provider creating lifelong 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 in the following three clusters of business units as a fully integrated business:

Consulting – Concentrated under the EOH KPMG Consulting brand are business units offering services ranging from strategic and business process consulting, project services, change management, supply chain optimisation and education.

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 and Manufacturing Execution Systems (MES).

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 and 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, except for the consolidation of the EOH Share Trust as required by the JSE Securities Exchange South Africa to ensure compliance with AC 132 – Consolidated financial statements and accounting for investments in subsidiaries – and, accordingly, the previous year's results have been restated.

The Group's auditors, IAPA Johannesburg Chartered Accountants (SA), have audited the financial information for the year to 31 July 2004. 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 and headline earnings per share showed substantial improvement. The balance sheet remains strong with 53% increase in cash resources and a substantial improvement in the asset base of the business.

Future plans

EOH is a large integrated organisation offering an extensive range of products and services to many markets and industries. It is financially strong and has a sound track record. Management's intention is to rapidly capitalise on our position and forge ahead towards its vision to be the Number One business and technology solution provider in Africa.

The increased spending in consulting, technology and outsourcing, together with rapid deployment of new processes and systems in the public and private sectors and EOH's large customer base bode well for its growth.

Subsequent to year end EOH acquired Global Technology Business Intelligence (Proprietary) Limited ("GBI"), subject to regulatory approval. GBI is a leading software and services provider in the field of Corporate Performance Management (CPM). GBI's size, customer base and range of solutions will make a significant contribution to EOH's growth.

BEE

On 16 August 2004 shareholders were advised that EOH is in the process of finalising a transaction whereby it will achieve a minimum 25% Black Economic Empowerment ("BEE") equity shareholding. EOH believes that the most effective way to achieve broad based empowerment is to involve its BEE employees in the empowerment transaction. This will be accomplished through the creation of a BEE Employee Trust and an investment into EOH by an Empowerment Fund. New EOH shares will be issued to the BEE Employee Trust, this Trust will have the current and future previously disadvantaged EOH employees as beneficiaries. It is proposed that the Empowerment Fund will be issued new EOH shares for cash which will result in a combined shareholding of the BEE Employee Trust and the Empowerment Fund in excess of 25% of EOH.

Further details will be communicated to shareholders in due course and accordingly, EOH shareholders are advised to continue to exercise caution when dealing in EOH shares until a further announcement is made.

Dividends

Notice is hereby given that a cash dividend of 10 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, 29 October 2004. Shareholders are advised that the last day to trade "cum" the dividend will be Friday, 22 October 2004. The shares will trade "ex" dividend as from Monday, 25 October 2004. Payment will be made on Monday, 1 November 2004. Share certificates may not be dematerialised or rematerialised during the period Monday, 25 October 2004 to Friday, 29 October 2004, both days inclusive.

20 September 2004

REGISTERED OFFICE

Ground Floor, Block F, 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

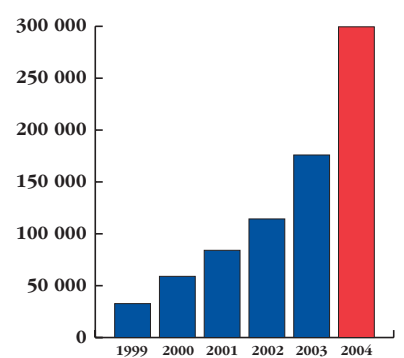
Dr Mathews Phosa (*Non-executive Chairman*), Asher Bohbot (*CEO*), Rob Sporen (*Dutch*), Antonio Cocciantie, Jane Thomson, Ken Cullinan, John King, Dion Ramoo

COMPANY SECRETARY

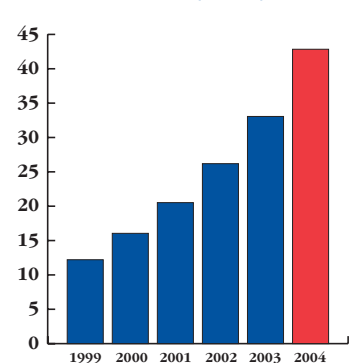
S P Matheson

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

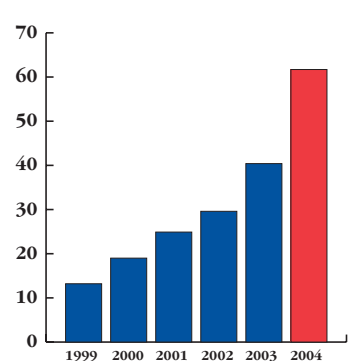
Revenue (R'000)



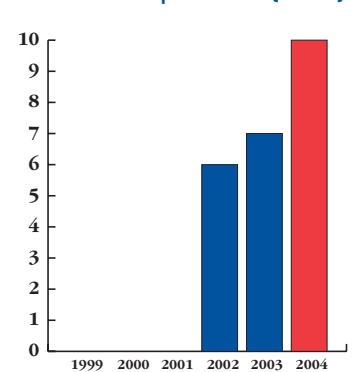
HEPS (cents)



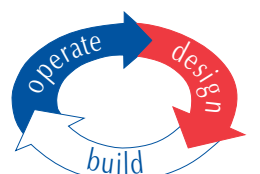
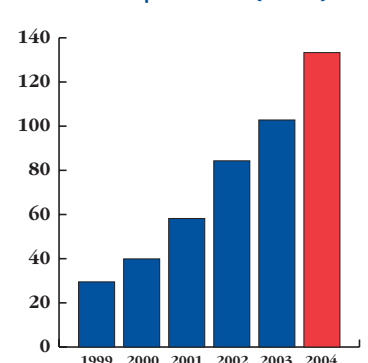
Cash (R'000)



Dividends per share (cents)



NAV per share (cents)



partner for life