07

INTERIM

RESULTS FOR THE SIX MONTHS ended 31 January **2007**

Revenue	up 27%
PBT	up 21%
EPS and HEPS	up 20%

Partner for life

01//

GROUP INCOME STATEMENTS

(R'000)	Reviewed 6 months to 31 January 2007	% change	Reviewed 6 months to 31 January 2006	Audited 12 months to 31 July 2006
Revenue	301 112	27	236 610	503 292
Operating profit	31 579		26 253	55 207
Net interest income	670		383	508
(Loss)/Income from associate	(34)		–	123
Net income before taxation	32 215	21	26 636	55 838
Taxation	(10 677)		(9 504)	(18 381)
Profit attributable to ordinary shareholders	21 538	26	17 132	37 457
Note - Headline earnings = earnings				
Total shares in issue ('000)	72 216		69 213	70 538
Weighted average of shares in issue ('000)	61 643		58 852	59 118
Diluted number of shares ('000)	68 848		67 787	68 686
Earnings per share (cents)	34,9	20	29,1	63,4
Diluted earnings per share (cents)	31,3		25,3	54,5

02//

RECONCILIATION OF EARNINGS

(R'000)	Reviewed 6 months to 31 January 2007	% change	Reviewed 6 months to 31 January 2006	Audited 12 months to 31 July 2006
Old SA GAAP	23 882	30	18 378	41 245
IAS 16 Property, plant and equipment	86		75	184
IFRS 2 Share-based payments	(2 570)		(1 667)	(4 617)
IAS 38 Intangible assets	322		635	1 227
IAS 17 Leases	(90)		(117)	(243)
Deferred tax on above	(92)		(172)	(339)
New IFRS	21 538	26	17 132	37 457

03//

GROUP CASH FLOW STATEMENTS

(R'000)	Reviewed 6 months to 31 January 2007	Reviewed 6 months to 31 January 2006	Audited 12 months to 31 July 2006
Operating income	32 214	26 253	55 838
Non-cash items	5 012	4 340	9 361
Working capital changes	(14 682)	(13 562)	(11 648)
Cash generated by operations	22 544	17 031	53 551
Taxation paid	(13 788)	(10 361)	(20 467)
Dividend paid	(8 693)	(6 646)	(6 622)
Net interest income	670	363	508
Cash generated by operating activities	733	387	26 970
Cash effect of investing activities	(16 210)	(6 155)	(7 430)
Cash effect of financing activities	633	2 047	(3 390)
Net cash change for period	(14 844)	(3 721)	16 150
Cash at beginning of period	84 507	68 357	68 357
Net cash at end of period	69 663	64 636	84 507

04//

GROUP BALANCE SHEETS

(R'000)	Reviewed at 31 January 2007	Reviewed at 31 January 2006	Audited at 31 July 2006
ASSETS			
Non-current assets			
Property, plant and equipment	**15 389**	11 670	12 359
Intangible assets	**104 433**	71 967	78 700
Investment in associate	**1 093**	918	848
Loans receivable	**867**	132	132
Deferred tax	**3 866**	4 219	6 589
Current assets			
Inventory	**5 877**	1 343	2 460
Trade and other receivables	**152 325**	96 774	124 384
Bank and cash	**74 024**	64 981	84 507
Total assets	**357 874**	252 004	309 979
EQUITY AND LIABILITIES			
Ordinary shareholders' interest	**168 331**	128 616	150 485
Non-current liabilities			
Long-term borrowings	**4 536**	5 996	4 211
Current liabilities			
Trade and other liabilities	**128 890**	81 466	99 379
Vendors for acquisition	**24 075**	2 224	11 679
Deferred revenue	**25 128**	26 097	36 102
Taxation payable	**2 553**	7 260	8 123
Bank overdraft	**4 361**	345	–
Total equity and liabilities	**357 874**	252 004	309 979
Net asset value per share (cents)	**233,1**	185,8	213,3

05//

GROUP EQUITY STATEMENT

(R'000)	Share capital	Share premium	Reserves	Retained earnings	Ordinary share-holders' interest
31.7.2005 Audited	**501**	**10 797**	**4 709**	**68 752**	**84 759**
Treasury shares – consolidation	2	487	255	–	744
EOH Share Trust – consolidation	4	112	(739)	–	(623)
Currency translation	–	–	(31)	–	(31)
Earnings	–	–	1 667	17 132	18 799
Dividends	–	–	–	(6 652)	(6 652)
Share issue	179	54 392	–	–	54 571
EOH Mthombo Trust – consolidation	(92)	(22 859)	–	–	(22 951)
31.1.2006 Reviewed	**594**	**42 929**	**5 861**	**79 232**	**128 616**
Treasury shares – consolidation	(6)	(3 158)	14	–	(3 150)
EOH Share Trust – consolidation	2	68	686	–	756
Currency translation	–	–	21	–	21
Earnings	–	–	2 950	20 325	23 275
Share issues	14	953	–	–	967
31.7.2006 Audited	**604**	**40 792**	**9 532**	**99 557**	**150 485**
Treasury shares - consolidation	2	845	55	–	902
EOH Share Trust - consolidation	2	232	(280)	–	(46)
Currency translation	–	–	4	–	4
Earnings	–	–	2 570	21 538	24 108
Dividends	–	–	–	(8 677)	(8 677)
Share issues	17	1 538	–	–	1 555
31.1.2007 Reviewed	**625**	**43 407**	**11 881**	**112 418**	**168 331**

COMMENTARY

GROUP PROFILE

EOH is a technology and business 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 as a fully integrated business in the following three broad clusters of business unit types:

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.

Consulting – operates in the private and public sector offering services ranging from strategic process consulting, project services, change management and education. This cluster also develops IT strategy, advises on enterprise architecture, IT governance and risk management.

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 as well as desktop support services and the providing of on-site resources.

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

BASIS OF PREPARATION

These interim results are prepared in accordance with IAS 34 (Interim Financial Reporting) and the South African Companies Act, 1973.

The Group's auditors, IAPA Johannesburg, Chartered Accountants (SA), have reviewed the financial information for the six month period to 31 January 2007.

ACQUISITIONS

The results include the business operations and investments of Bromide Technologies ('Bromide') from 1 January 2007. The rationale for this acquisition is the intention to expand the Group's offerings to clients to include infrastructure offerings as part of the strategy to deliver 'end to end' solutions. Bromide is a significant player in the infrastructure support services arena, with a large client base and a strong history of delivery and success.

FINANCIAL RESULTS

The board is satisfied with the performance for the period under review. These results show the consolidation of the Bromide acquisition from January 2007. The strong revenue growth of the Group continues to be substantially organic with earnings remaining healthy and growth being funded internally with sufficient cash reserves to support future growth plans.

FUTURE PLANS

EOH is a major player in the technology, consulting and outsourcing space and these offerings are enhanced by its ability to deliver effective 'end to end' solutions to its clients. This will now include infrastructure provision and support, hosting and networking and the provision of interim skills to EOH customers. The wide range of solutions offered to various industries in both the public and private sector, in conjunction with a well proven business model, strong management and financial strength, bode well for its future growth.

EOH sees the strong market conditions, specifically those in the technology field, continuing with EOH well positioned to capitalise on these. EOH's growth strategy remains focused on organic growth, supplemented by strategic acquisitions.

TRANSFORMATION

The EOH Mthombo Trust is now fully operational and with its implementation, EOH now has 31,4% effective black ownership. 38% of Group employees are PDIs, as is 45% of our board. We see transformation as an ongoing process to which all our people are committed to and involved in.

DIVIDENDS

It is the Group's practice to declare dividends at the end of the financial year. A dividend of 14,0 cents per share was paid to shareholders recorded in the books of EOH at the close of business on Friday, 27 October 2006.

Asher Bohbot
Chief Executive Officer

19 March 2007

Systems make it possible...

People make it happen!

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DIRECTORS

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COMPANY SECRETARY

Adri Els

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EOH Holdings Limited

Incorporated in the Republic of South Africa

(Company registration no: 1998/014669/06)

Share code: EOH ISIN: ZAE000071072

("EOH" or "the Group")

operate design build

partner for life

Designed by motiv

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