

FINANCIAL RESULTS

The board of directors is satisfied with the performance for the period under review. The growth for the period is largely organic complemented by recent acquisitions. The balance sheet is strong with no debt and substantial cash resources to support future growth and sustainability.

BUSINESS COMBINATIONS

During the six months EOH acquired the business of Highveld PFS ("Highveld") with effect from 1 August 2008. Highveld is a contract management business and registered labour broker. EOH also acquired REO Consulting (Proprietary) Limited, a company providing remote technology support services, with effect from 1 October 2008.

FUTURE PLANS

EOH has recently been appointed as the sole representative of CA in Southern Africa which will further entrench EOH's ability to offer a complete range of technology solutions and products to its customers. CA is the 4th largest software vendor in the world, with its software installed in all major corporates across the globe. EOH intends not only to extend the reach of CA products into EOH's existing client base but also to sell new products and solutions to CA's vast customer base.

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 enabling EOH to form long-term strategic partnerships with existing and new customers.

EOH continues to intensify its drive to increase its annuity business in many existing and innovative ways including hosting and networking, software support contracts, call centre, service desks and managed services. The introduction of Application Managed Services, complemented by the acquisition of REO Consulting, will further enhance EOH's annuity income.

With the recent acquisition of Highveld, EOH's Global Resourcing business has been significantly enhanced enabling it to place more skills into the market place. Highveld also provides a resource base of contractors for other EOH businesses and the opportunity to further skill resources through EOH's training facility, EOH Academy.

EOH sees the micro environment as challenging but believes that it is well positioned to take advantage of opportunities that present themselves, enabled by its track record, reputation, strong balance sheet and cash reserves.

TRANSFORMATION

EOH has 34,3% broad-based effective black ownership. Of the Group's over 1 600 employees, 47,5% are black as is 55% of EOH's board of directors. EOH has an AA Black Economic Empowerment rating (Level 3 contributor) and has progressed its Enterprise Development initiative. EOH is committed to inclusive transformation involving all its people and stakeholders.

DIVIDENDS

It is the Group's practice to consider the declaration of dividends only at the end of each financial year. A dividend of 25 cents per share was paid during November 2008.

Asher Bohbot

Chief Executive Officer

18 March 2009

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

EXECUTIVE DIRECTORS

Asher Bohbot (*Chief Executive Officer*)
Lucky Khumalo (*Deputy Chief Executive Officer*)
John King
Dion Ramoo
Jane Thomson

NON-EXECUTIVE DIRECTORS

Dr Mathews Phosa (*Chairman*)
Prof. Tshilidzi Marwala
Tebogo Skwambane
Rob Sporen (*Dutch*)

COMPANY SECRETARY

Adri Els

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")

SPONSOR

Merchantec (Proprietary) Limited



Interim results
for the six months ended
31 January 2009



Revenue up 28,3%

PBT up 27,2%

EPS up 27,7%

HEPS up 28,4%

GROUP INCOME STATEMENT

R'000	Six months to 31 January 2009	% change	Six months to 31 January 2008	Twelve months to 31 July 2008
Revenue	559 742	28,3	436 282	950 934
Cost of sales	(355 317)		(291 393)	(625 737)
Gross margin	204 425		144 889	325 197
Profit before separately disclosed items	47 788		39 353	88 768
Interest received	6 774		2 822	5 141
Finance costs	(1 212)		(768)	(1 776)
Share of (losses)/profits of associated companies	(66)		250	120
Loss on disposal/impairment of investment in associated company	(303)		-	(777)
Profit before taxation	52 981	27,2	41 657	91 476
Taxation	(19 724)		(14 786)	(29 990)
Profit after taxation	33 257	23,8	26 871	61 486
Attributable to:				
Ordinary shareholders	34 531		26 763	60 988
Minority interests	(1 274)		108	498
	33 257		26 871	61 486
Total shares in issue	74 295		73 255	73 659
Weighted average number of shares in issue	64 047		63 403	63 382
Diluted number of shares	72 203		70 892	71 160
Earnings per share (cents)	53,9	27,7	42,2	96,2
Diluted earnings per share (cents)	47,8	26,5	37,8	85,7
Headline earnings reconciliation				
Profit after taxation attributable to ordinary shareholders	34 531		26 763	60 988
Profit on disposal of assets	(102)		-	(457)
Impairment of assets	-		-	40
Loss on disposal/impairment of investment in associated company	303		-	777
Headline earnings	34 732		26 763	61 348
Headline earnings per share (cents)	54,2	28,4	42,2	96,8
Diluted headline earnings per share (cents)	48,1	27,2	37,8	86,2

GROUP CASH FLOW STATEMENT

R'000	31 January 2009	31 January 2008	31 July 2008
Net income before tax and separately disclosed items	52 981	39 603	91 476
Non-cash items	3 280	6 824	10 492
Working capital changes	12 373	(32 070)	(23 558)
Cash generated by operating activities	68 634	14 357	78 410
Interest received	6 774	2 822	5 141
Finance costs	(1 212)	(768)	(1 776)
Taxation paid	(8 516)	(2 738)	(25 218)
Dividend paid	(15 568)	(12 659)	(12 655)
Net cash inflow from operating activities	50 112	1 014	43 902
Net cash inflow from investing activities	26 524	(14 466)	(21 567)
Net cash inflow from financing activities	(12 381)	(5 658)	(17 331)
Net movement in cash and cash equivalents	64 255	(19 110)	5 004
Cash and cash equivalents at beginning of period	119 140	114 136	114 136
Cash and cash equivalents at end of period	183 395	95 026	119 140

GROUP BALANCE SHEET

R'000	31 January 2009	31 January 2008	31 July 2008
ASSETS			
Non-current assets			
Property, plant and equipment	33 876	16 745	29 764
Intangible assets	173 960	102 893	109 527
Investment in associate companies	-	1 275	353
Loans receivable	4 636	3 354	5 712
Deferred taxation assets	18 230	12 557	11 809
Current assets			
Inventory	8 426	6 910	7 821
Trade and other receivables	233 429	195 052	223 721
Trade receivables	227 744	187 294	217 849
Other receivables	5 685	7 758	5 872
Bank balances and cash	183 395	95 970	119 140
Total assets	655 952	434 756	507 847
EQUITIES AND LIABILITIES			
Ordinary shareholders' interest	257 889	214 463	242 007
Minority interests	(498)	386	776
Total equity	257 391	214 849	242 783
Non-current liabilities			
Long-term loans	2 257	750	1 115
Vendors for acquisition	23 333	6 986	2 600
Deferred taxation liabilities	4 414	3 925	4 667
Current liabilities			
Trade and other liabilities	301 516	154 058	208 955
Deferred revenue	34 127	29 386	32 658
Taxation payable	32 914	23 858	15 069
Bank overdraft	-	944	-
Total equity and liabilities	655 952	434 756	507 847
Net asset value per share	347,1	292,8	328,5

GROUP STATEMENT OF CHANGES IN EQUITY

R'000	Share capital	Share premium	Reserves	Retained earnings	Minority interests	Total equity
Audited balance at 1 August 2007	633	45 842	12 354	140 009	278	199 116
Movement in treasury shares	1	642	(3 786)	-	-	(3 143)
Currency translation	-	-	-	-	-	-
Profit for the period	-	-	3 967	26 763	108	30 838
Dividends	-	-	-	(12 659)	-	(12 659)
Issue of share capital	7	690	-	-	-	697
Balance at 31 January 2008	641	47 174	12 535	154 113	386	214 849
Movement in treasury shares	(17)	(1 336)	(8 120)	-	-	(9 473)
Adjustment to prior period profit - IFRS leases	-	-	-	(798)	-	(798)
Currency translation	-	-	976	-	-	976
Profit for the period	-	-	2 025	34 225	390	36 640
Dividends	-	-	-	-	-	-
Issue of share capital	4	585	-	-	-	589
Balance at 31 July 2008	628	46 423	7 416	187 540	776	242 783
Movement in treasury shares	(6)	(495)	(3 189)	-	-	(3 690)
Post acquisition adjustment	-	-	(1 665)	-	-	(1 665)
Currency translation	-	-	(824)	-	-	(824)
Profit for the period	-	-	3 291	33 257	(1 274)	35 274
Dividends	-	-	-	(15 568)	-	(15 568)
Issue of share capital	6	1 075	-	-	-	1 081
Balance at 31 January 2009	628	47 003	5 029	205 229	(498)	257 391



COMMENTARY

GROUP PROFILE

EOH's vision is "to be the best technology and business solutions company to work for, partner with and invest in". 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 three broad areas of business – consulting, technology and outsourcing. The products and services which it offers can be clustered into three broad categories:

Technology Services: EOH offers consulting services to the private and public sector ranging from IT strategy, enterprise architecture to project services. Through a number of businesses, EOH implements, integrates and supports world-class business applications both remotely and onsite. EOH also offers a comprehensive range of managed services which includes full IT Outsourcing, IT infrastructure maintenance and support, hosting and network management and desktop support.

Software: EOH sells, maintains and supports a broad range of business applications including: ERP, CRM, Business Intelligence, Advanced Planning and Scheduling, e-Commerce, Manufacturing Execution Systems (MES) and IT Performance Management Solutions. EOH represents major software vendors in South Africa and partners with other vendors operating in the country.

Infrastructure: EOH sells and supports the infrastructure requirements of its clients. The product range includes storage, servers and network enhancement and monitoring technologies.

EOH has a presence in all major centres in South Africa and also operates elsewhere in Africa and in the United Kingdom.

BASIS OF PREPARATION

These interim financial results have been prepared in accordance with IAS 34. The accounting policies of the group comply with International Financial Reporting Standards and the Companies Act 1973 (Act 61 of 1973), as amended ("Act") and are based on appropriate accounting policies, consistently applied with those in the prior year, which are supported by reasonable and prudent judgements and estimates. These interim financial results have not been reviewed.

SEGMENTAL REPORTING

EOH's revenue is derived primarily from the provision of technology services (consulting, systems implementation and integration and managed services), software licence and maintenance revenue and the sale of infrastructure products. Annuity business accounts for 43% of revenue.

	Technology services	Software	Infrastructure	Total
Revenue	332 289	140 550	86 903	559 742
Net profit before tax	30 581	18 482	3 918	52 981