

“ 2004 marks a milestone in AdvTech’s development. Against a backdrop of academic achievement, continuing operational progress and growth, improved financial results and strong cash generation, the Group launched a new wave of investment in educational infrastructure which creates a secure, quality platform for continued growth in learner enrolment. ”

➤ Schools

- 911 (96%) matric passes with university exemption
- 86 learners with 6+ distinctions
- Average of 2.6 distinctions per candidate at CrawfordSchools

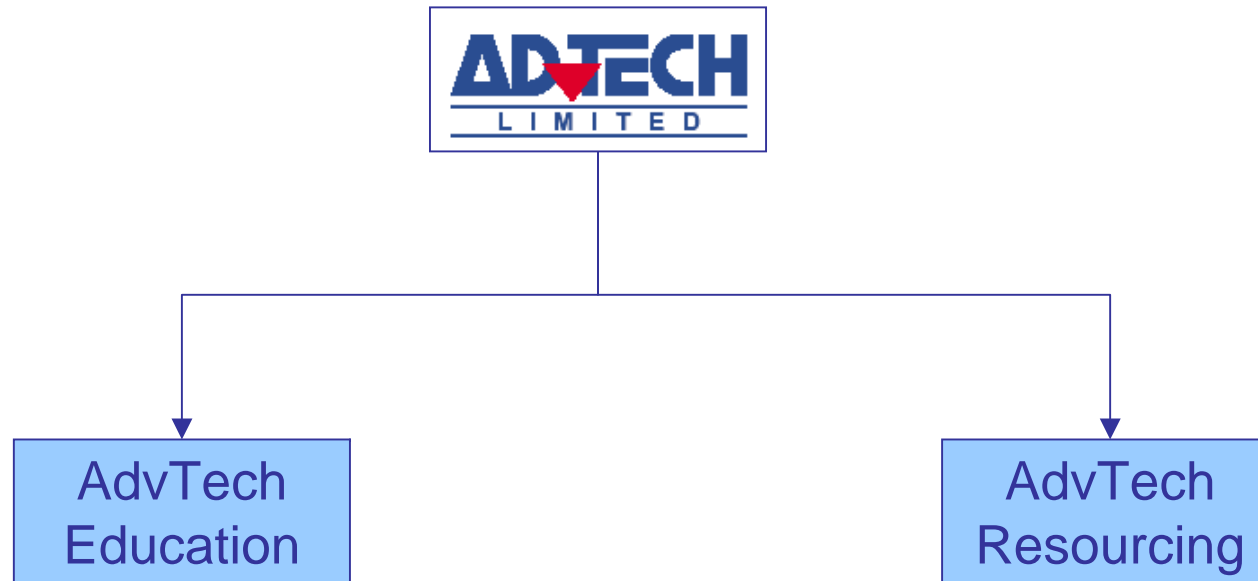
➤ Tertiary

- Over 3 000 learners graduated
- Almost 4 300 learners received tuition support
- 422 learners graduated cum laude or with distinction
- Total of 31 070 subject distinctions

➤ Skills Development

- Successful conclusion of 4 major learnership projects with 9 different SETA's and other agencies
- 2 200 learners completed learnerships and training programmes across 7 provinces

Group Organogram



- **Leading player in Independent Education**
- **Approximately 38 000 students across South Africa**

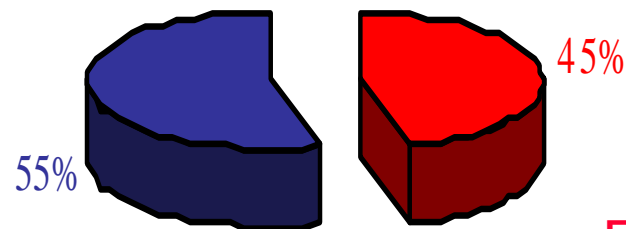
- **Market leader in permanent IT recruitment**
- **Market leader in Engineering recruitment**
- **Number 2 in Financial recruitment**

Board of Directors



NON-EXECUTIVES – 55%:

- HF Brown
- BD Buckham
- DK Ferreira
- Prof J Jansen
- HR Levin
- MI Sacks



EXECUTIVES – 45%:

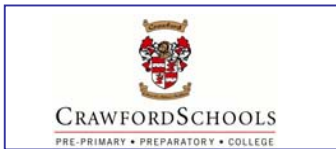
- FR Thompson (CEO)
- J Deeb (FD)
- JNP Booyens (Properties)
- CN Duff (Tertiary)
- DL Honey (Resourcing)

Committed & subscribes to the best practices of King II

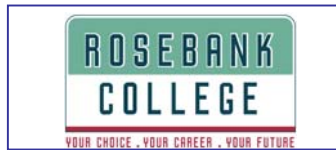
Education Brands



Schools



Tertiary



Training



Property



Resourcing Brands



Recruitment



Other



Operational Highlights - Education



- Continued growth and improved performance from Education

- Solid academic achievement from learners and students

- Establishment of The Independent Institute of Education

- New wave of investment in Education:
 - Construction completed on 4 new tertiary campuses (3 000 students)
 - 1st Abbots in Gauteng opened and additional accommodation for 400 learners was completed in Schools division

Operational Highlights - Resourcing



- Excellent financial performance
- ± 3 100 CV's processed per day / 700 000 per annum
- Arranged 20 000 interviews between candidates and clients
- Made 2 059 placements (up 36% on 2003 with same staff headcount)
- Market share gains in key focus areas:
 - IT recruitment revenue +19%
 - Engineering revenue +49%
 - Financial recruitment revenue +51%

Independent Institute of Education



Vision:

- To be the leader in providing high quality, career-focused higher and further education programmes
- Produce diplomats and graduates who are tolerant of cultural diversity, have high ethical values and a broad range of analytical and generic skills

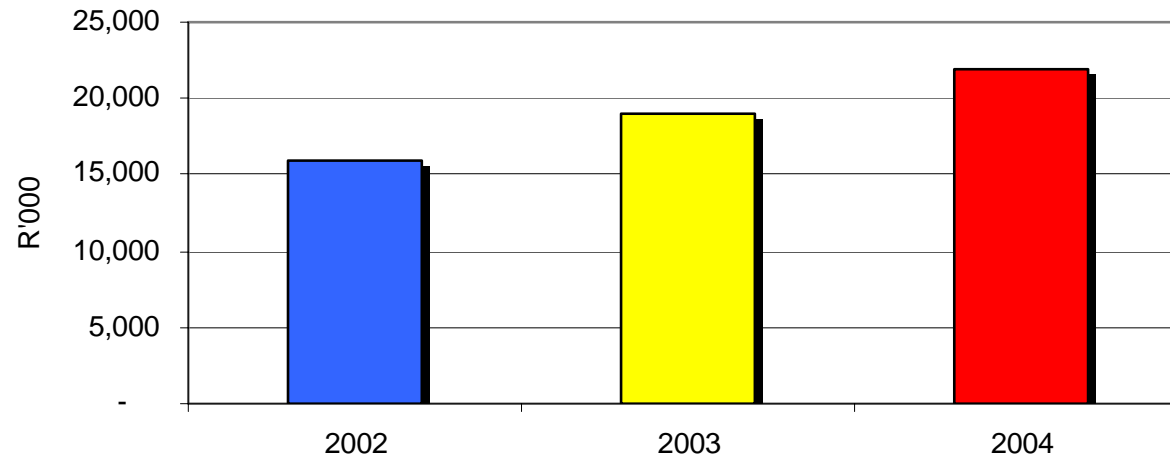
Governance:

- Academic Board
- Senate
- Quality Assurance
- Research
- Academic and Administration

Corporate Social Responsibility



Bursaries & Student Support



- Internal HIV/AIDS awareness policy and programme
- Employment Equity Plan submitted and on track
- 54% of total students are PDI
- Staff development

Report Card



➤ 2004 Strategy:

- Commitment to best educational practice and quality guidelines
- ✓ *Establishment of The Independent Institute of Education*

- Education – improved contribution to HEPS for the full-year
- ✓ *EBITDA from continuing Education operations +17%*

- Resourcing – improved results for the full year
- ✓ *EBITDA from Resourcing operations +70%*

Report Card



➤ 2004 Strategy:

- Committed to a 'speedy and satisfactory conclusion' of litigation

x *Welihockyj matter remains outstanding*

✓ *Litigation costs down by almost 50%*

- Sustain an encouraging trend of performance

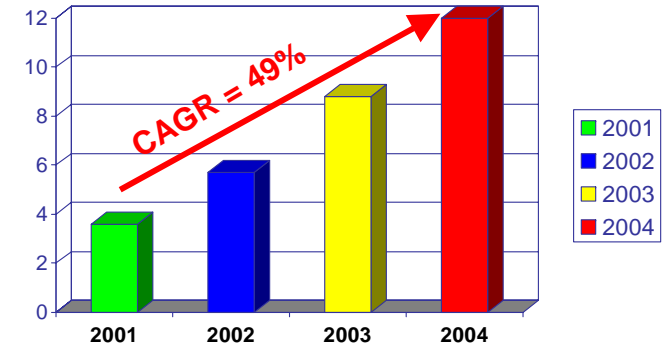
✓ *Improvement in all major financial indicators*

Financial Performance

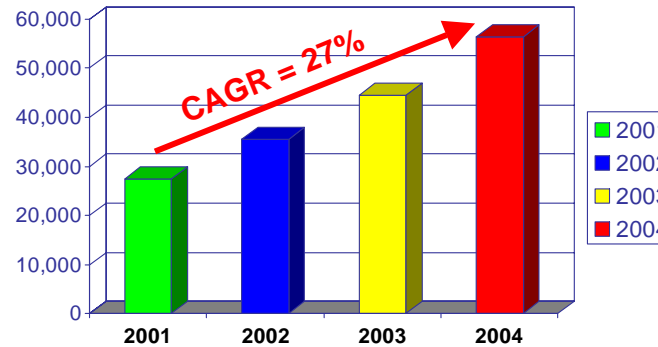


For the years ended 31 December

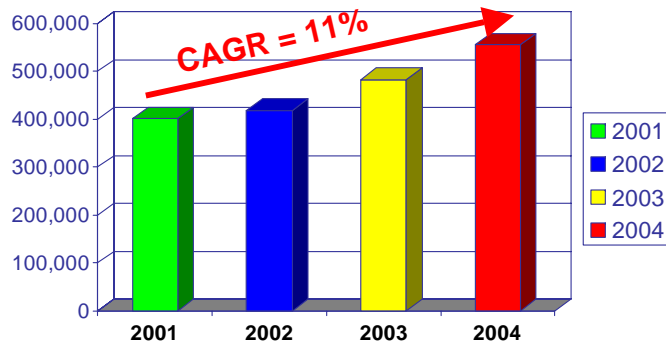
HEPS (cents)



Operating Profit (R'000)



Continuing Revenue (R'000)

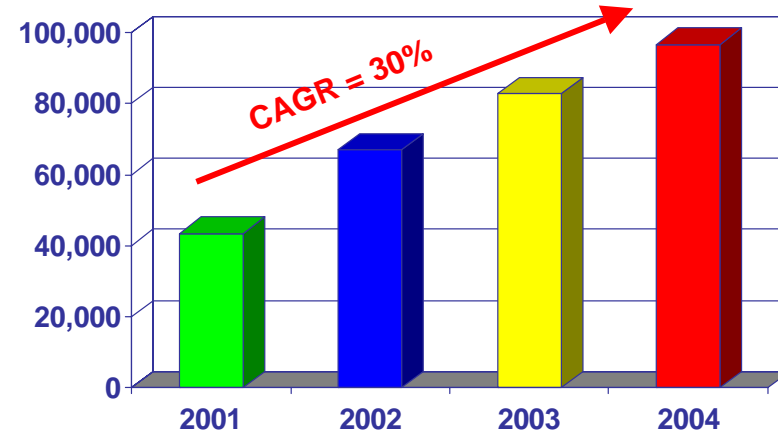


Education Division

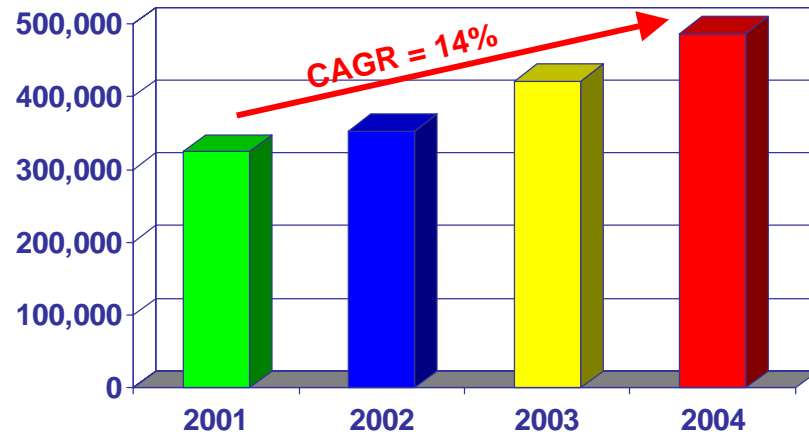


For the years ended 31 December

Education EBITDA (R'000)



Education Revenue (R'000)



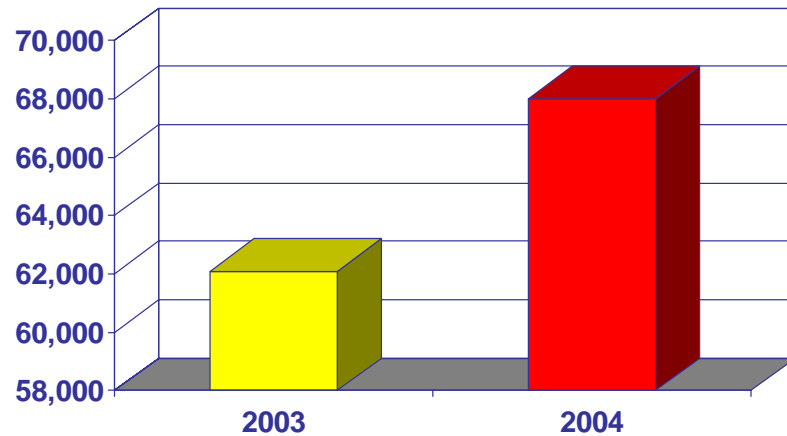
- Continuing operations only, excluding litigation costs.

Resourcing Division

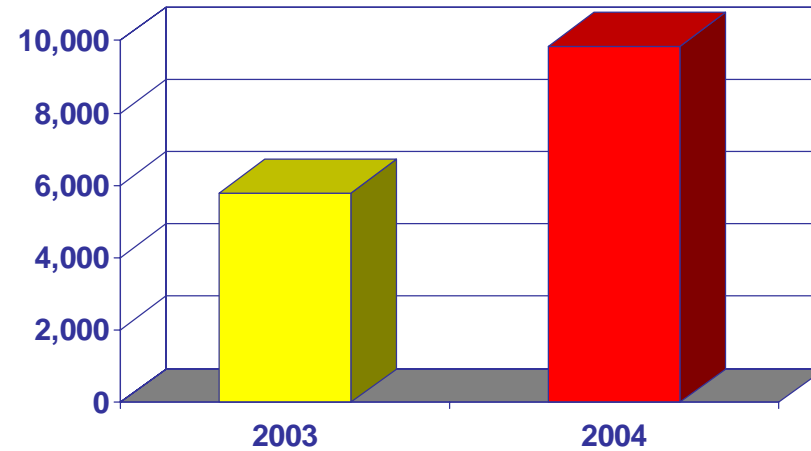


For the years ended 31 December

Resourcing Revenue (R'000)



Resourcing EBITDA (R'000)



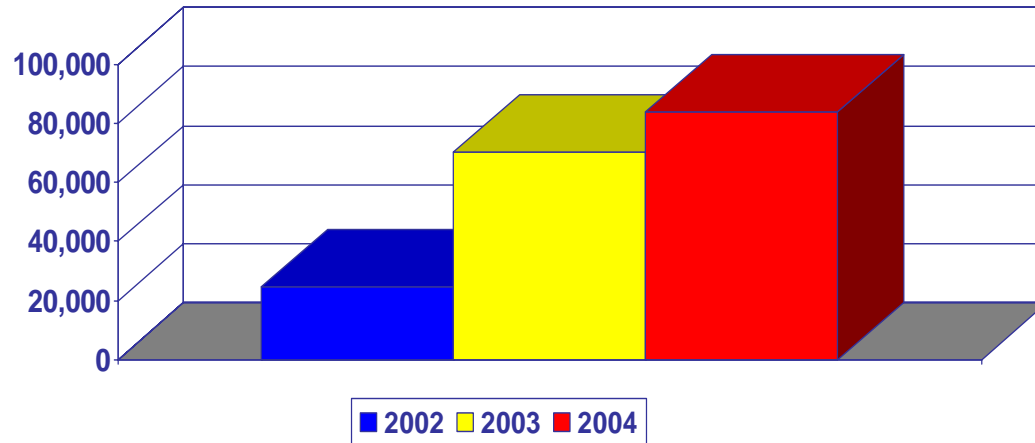
- Continuing operations only, excluding litigation costs.

Cash Flow Performance

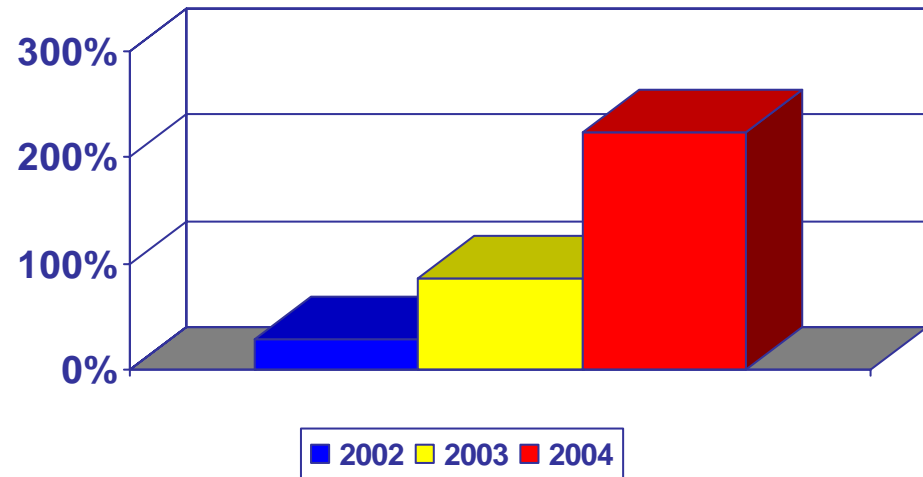


For the years ended 31 December

Cash Generated from Operating Activities



Operating Cash Flow as a % of Net Interest-Bearing Debt



Aggregate Cash Generated
over the past 3 years
= R180m

Capex



Capital Commitments	R'000
Capex – FY2004	42 429
Future years	82 416

- To be funded out of internal cash resources and/or existing bank facilities
- Total capex over last 5 years = R200m

Strategic Imperatives



- Non-negotiable commitment to academic achievement

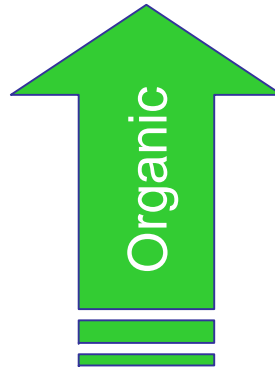
- Building brands for long-term competitive advantage

- Sustainable growth:
 - In senior educators
 - In campuses
 - In student enrolments
 - In academic performance
 - In recruitment statistics
 - In shareholder value

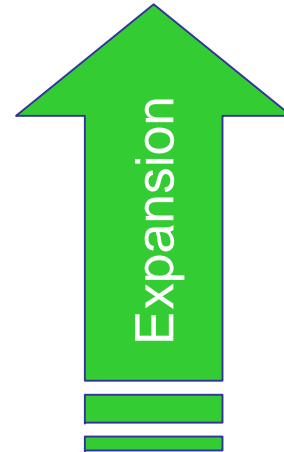
Growth Strategy



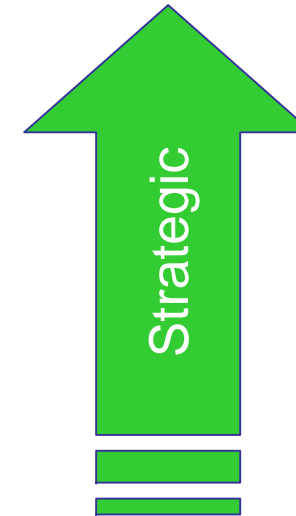
At Campus
level



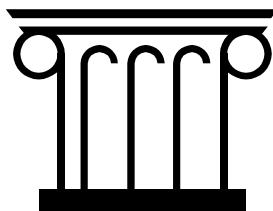
At Divisional
level



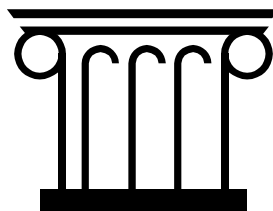
At Group
level



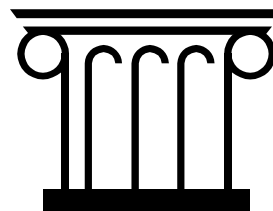
Platform for Sustainable Growth



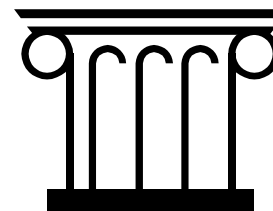
**Strong Financial
Track Record**



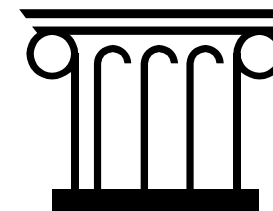
**Investment in
Infrastructure**



**Academic
Achievement**



**Competent
Management**

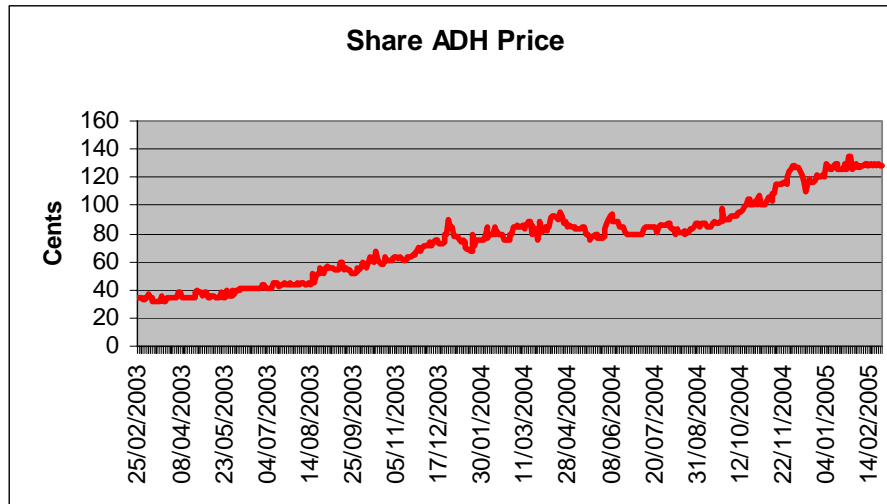


**Academic
Capacity**

JSE Statistics



Share Price graph for past 24 months:



➤ JSE Sector: Cyclical Services – Support Services

➤ Market Cap:
15 March 2005 = R543m

Market Cap at year-end:



➤ # of shares in issue – 393 664 886

➤ PE Multiple @ 138c (15 March 2005) = 11.5

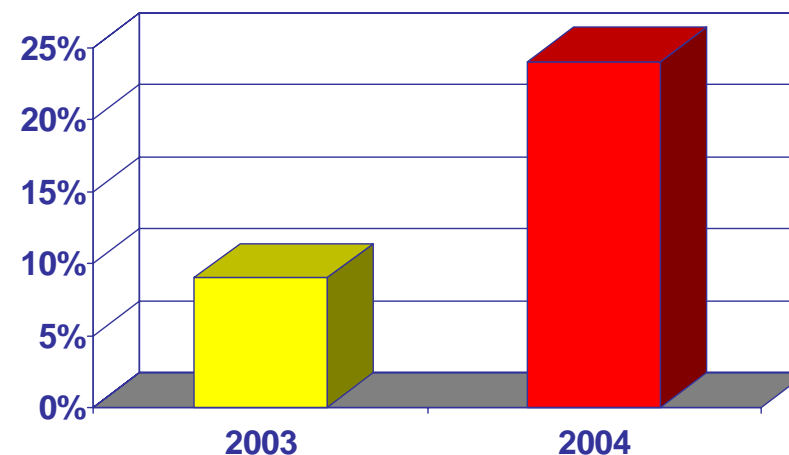
➤ Share price up 71% year-on-year
CAGR [2001 – 2004] = 67%

Shareholder Analysis

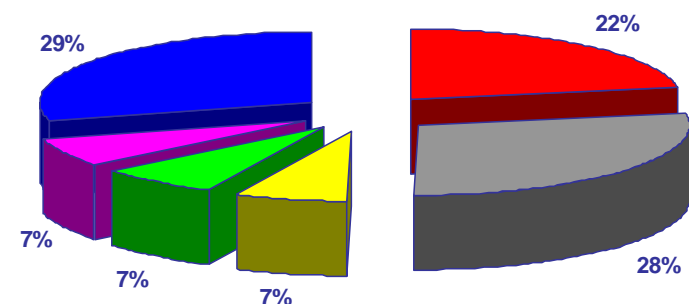


Major Shareholders as at 31 Dec 2004	%
Old Mutual	13.5
Sanlam	9.4
AdvTech Share Incentive Trust	8.5
Welihockyj Interests	7.3
BD Buckham	6.9
Network Healthcare Holdings Ltd	6.7
Praxis Private Equity	6.6
Other	41.1
Total (>3 100 registered shareholders)	100.0

Share Liquidity %



Shareholder Spread



- Management & Staff
- Institutions/Pension Funds
- Praxis
- Welihockys
- Netcare
- Other

Directors & staff's personal interests = ± 22%

In Summary



➤ Where we are:

- Solid academic achievement
- Continued operational progress and growth
- Improved financial performance

➤ Looking ahead:

- New wave of investment

➤ Environment:

- Positive performance of SA economy

➤ Conclusion:

- Improved headline earnings and operating cash flows