



Results for the
6 months ended
30 June 2004

Interim Results – 2004



*If you are planning for a year, sow rice;
if you are planning for a decade, plant
trees; if you are planning for a lifetime,
educate people.*

Chinese proverb

Key Financial Highlights – 2004



- **HEPS +47%**
- **Operating margin up to 9.6% (2003: 8.4%) and continuing operating margin up to 10.7% (2003: 9.9%)**
- **Fees received in advance +36%**
- **Net asset value per share +23%**
- **Net gearing reduced to 4.5% from 34.7% and net interest paid reduced by 80%**

The excellent results produced are a tribute to the commitment and dedication of our employees!

Operational Review - 2004



- Fourth consecutive period of sustained growth
- Strong performance from the Education division
- Significant improvement in the Resourcing division's results
- Funding mismatch addressed
- Improvement in working capital management

Operational Review - 2004



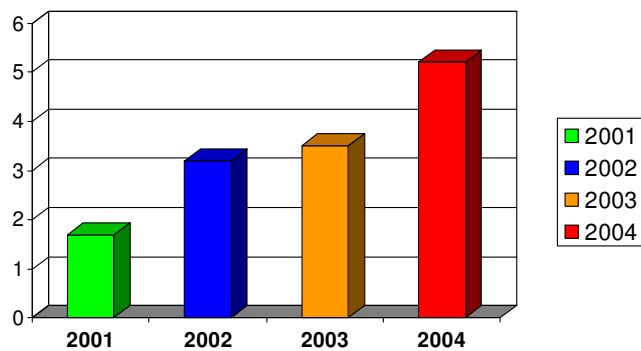
- Reduction in litigation costs
- Taxation charge in line with increased headline earnings
- Closure of Bond South Africa announced
- Construction commenced on 3 new campuses (in Gauteng and Natal)
- Appointment of new Group Financial Director (John Deeb)

Financial Performance

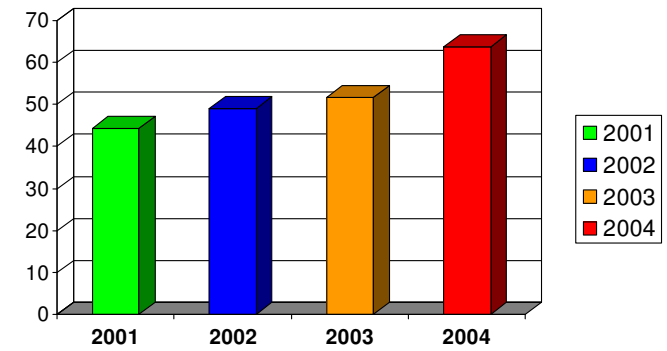


Salient Financial Information for the 6 months ended 30 June

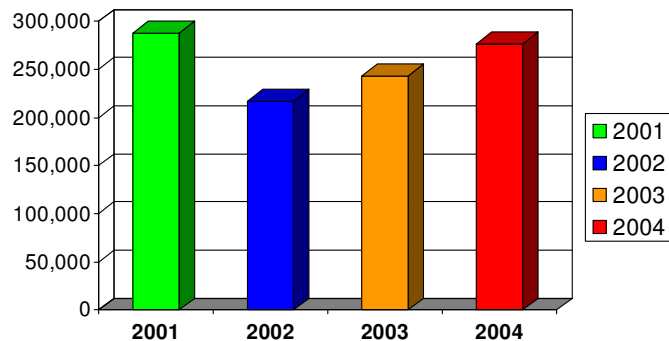
HEPS (cents)



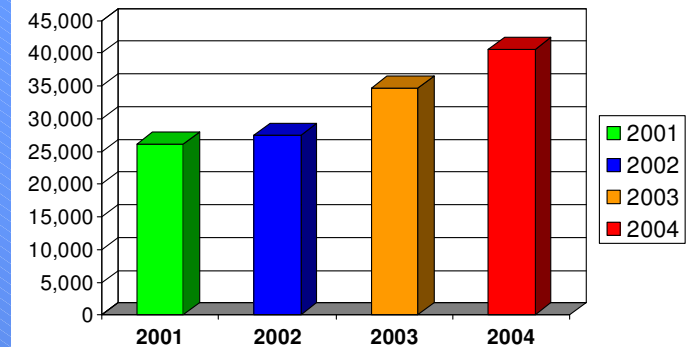
NAV Per Share (cents)



Continuing Revenue (R'000)



Continuing EBITDA (R'000)



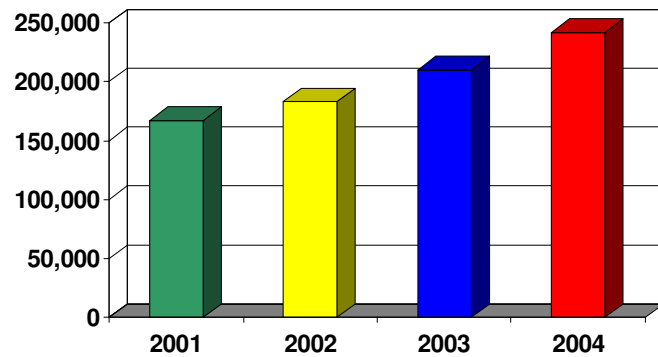
* 2001 figures have been adjusted for the goodwill write-off.

Segmental Performance

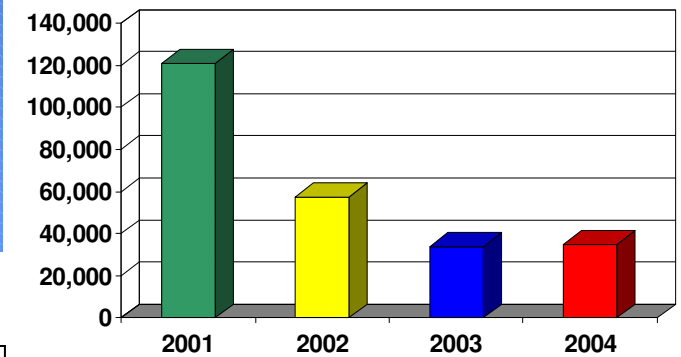


Segmental information for the 6 months ended 30 June

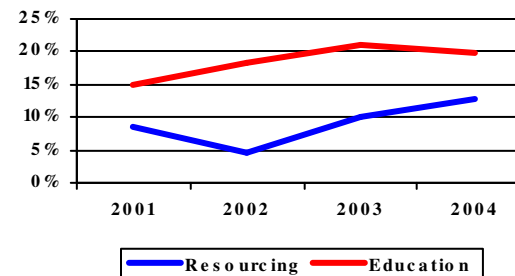
Education Revenue (R'000)



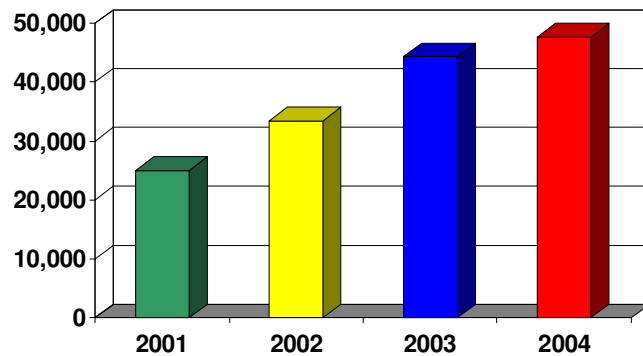
Resourcing Revenue (R'000)



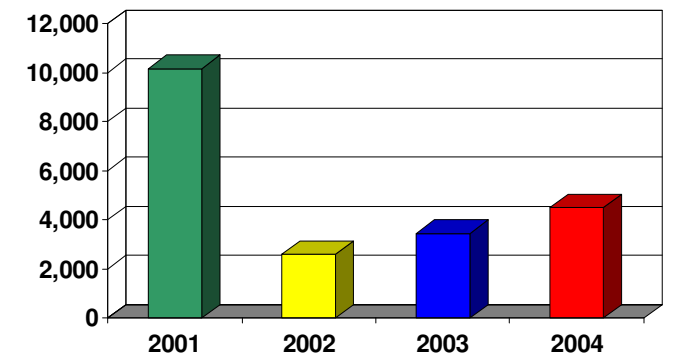
EBITDA Margin %



Education EBITDA (R'000)



Resourcing EBITDA (R'000)

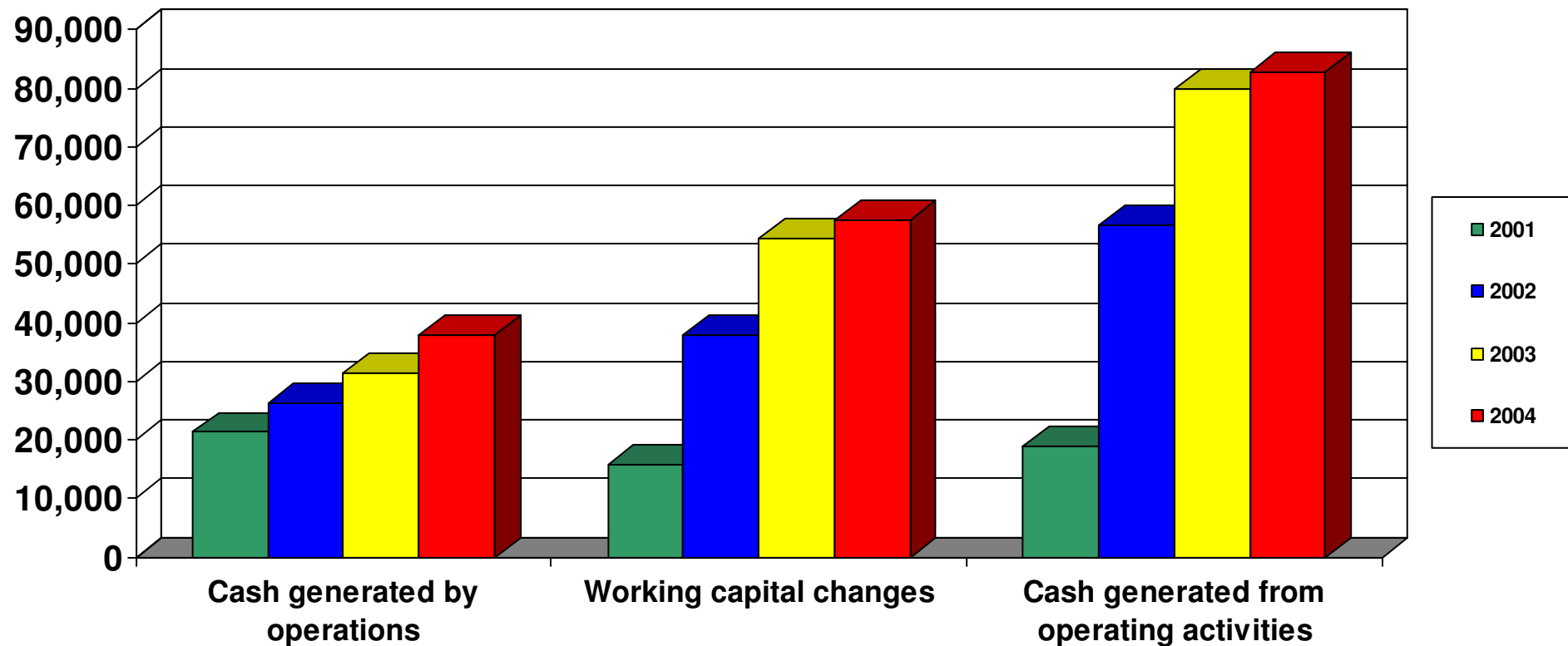


• Continuing operations only, excluding litigation costs.

Cash Flow Performance



Key cash flow information for the 6 months ended 30 June



Capex



Capital commitments	R'000
Remainder of current year	20 657
Future years	27 143
	47 800
Comprising:	
- Buildings on 3 new campuses (1 owned, 2 leased)	35 000
- Furnishing/equipping of new campuses + normal ongoing operational capex for the group	12 800

- To be funded out of internal cash resources and/or existing bank facilities

Report Card



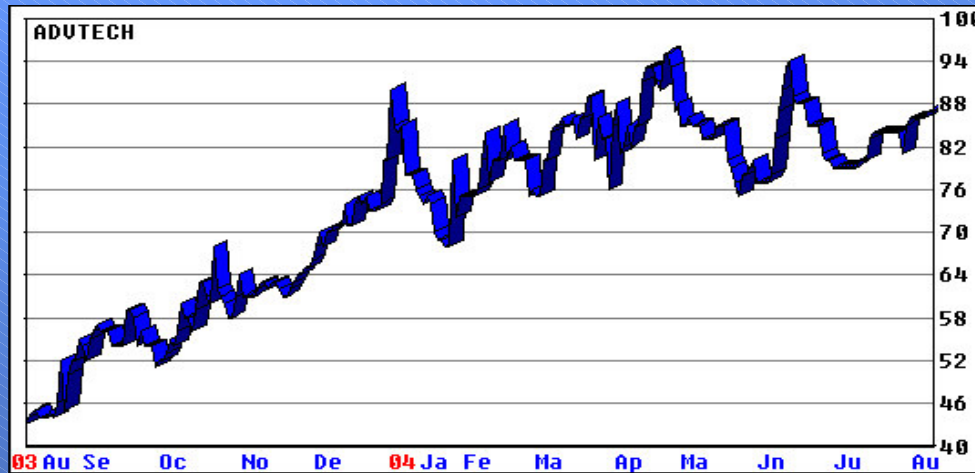
2003 Year-end Strategy:

- Addressing the Bond University relationship
- ✓ *Announced the wind-up of Bond SA*
- Improved results from Recruitment
- ✓ *30% improvement in operating profit*
- Restructuring completed – focus on growth and expansion
- ✓ *4th Abbotts (1st in Gauteng) opened and work commenced on 3 new campuses in Gauteng and Natal*
- Improved headline earnings and operating cash flow
- ✓ *HEPS up 47% and operating cash flow up to R83m*

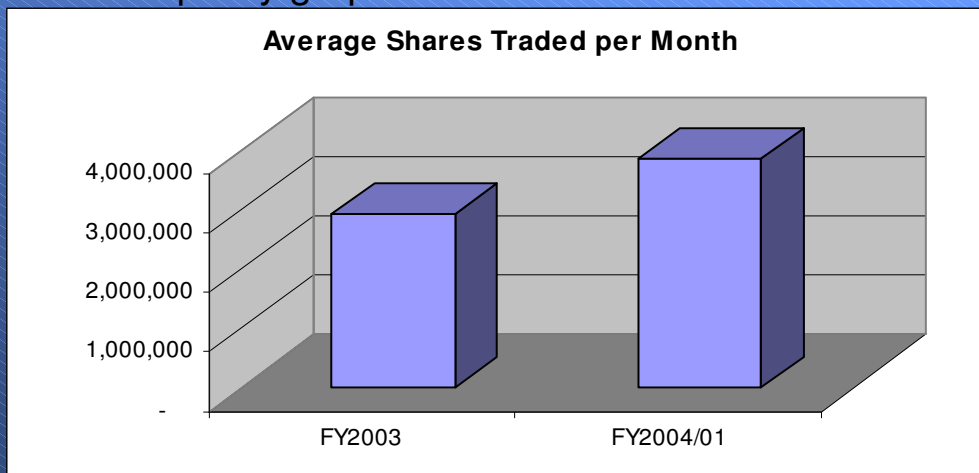
JSE Statistics



Share Price graph for past 12 months:



Share Liquidity graph:



- JSE Sector: Cyclical Services – Support Services
- Market Cap (3 Aug 2004) = R342,5m
(3 Aug 2003 = R169,3m)
(3 Aug 2002 = R146.8m)
- # of shares in issue – 393 664 886
- PE Multiple = 8.3
- Share price up 102% year-on-year

Shareholder Analysis



Analysis of Major Shareholders (>5%) at 30 June 2004:

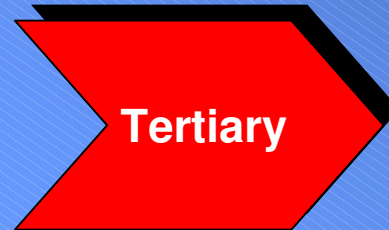
Shareholder	Percentage
Praxis Private Equity	15.4
Old Mutual	11.0
AdvTech Share Incentive Trust	10.2
Welihockyj Interests	7.3
BD Buckham	7.2
Network Healthcare Holdings Ltd	6.7
Sanlam	5.8
Other	36.4
Total (±3 000 registered shareholders)	100.0

Directors & senior management's personal interests = ±12%

Divisional Review - Education



- Junior College (20)
- Crawford (22)
- Abbotts (4)



- Varsity College (7)
- Rosebank College (4)
- College Campus (2)
- Vega (2)
- Bond South Africa (1)



Enriching Human Capital ...

Education – State of Play



- Revenue from continuing operations up 15% to R242 million
- Operating profit from continuing operations up 8% to R48 million
- Strong performance from schools (Crawford) and tertiary (Varsity College, Rosebank College and Vega) due to increased enrolments
- New Abbots College on track to meet enrolment target
- Closure of Bond SA announced

Education – State of Play



- Construction commenced on 3 new sites in Gauteng and Natal
- Strong annuity nature of revenue stream
- Approximately 24 000 students across South Africa

“Education, training and skills development are key foundations of social and economic progress, and preconditions for addressing inequality and division in society.”

Trevor Manuel

2004 Budget Speech

Divisional Review - Resourcing



	Brent	Cassel	Communicate	Insource	Kapele	Network
IT			✓	✓		✓
Finance/Logistics	✓	✓	✓		✓	✓
Sales/Marketing					✓	✓
Engineering			✓			✓
Office Support	✓					
Executive Search						✓
Temps/Contracting	✓		✓		✓	
Call Centre	✓				✓	



Exploiting Human Opportunity ...

Resourcing – State of Play

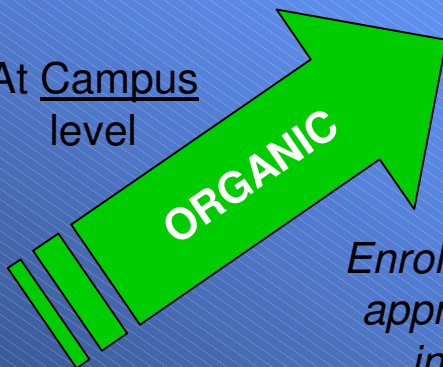


- Revenue from continuing operations up 3% to R35 million
- Operating profit from continuing operations up 30% to R4.5 million
- Delivered 12 months of improved performance
- Well established brands with proven track records
- Market leader in permanent IT recruitment
- Ranked in the Top 3 in Finance and Engineering

Growth Strategy

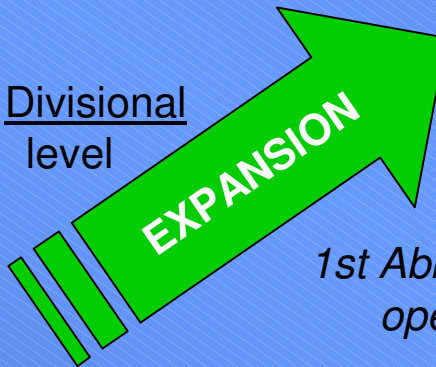


At Campus
level



*Enrolments up
approx. 10%
in 2004*

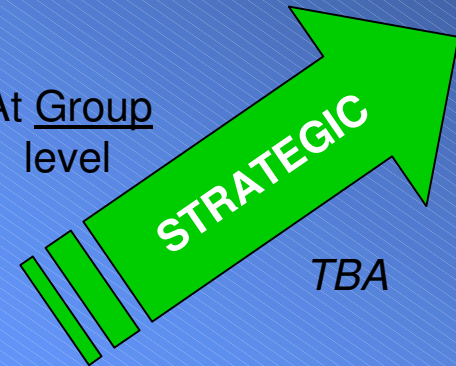
At Divisional
level



*1st Abbotts in Gauteng
opened in 2004*

*Work commenced on 3 new
sites*

At Group
level



TBA

Outlook & Prospects



➤ Education:

- Focus on growing core Education brands
- Increased enrolments = Improved contribution to HEPS for full year (Bond closure costs fully provided for)

➤ Resourcing:

- Re-organisation concluded
- Market showing signs of improvement
- Improved results for the full year

OVERALL = Expected to sustain an encouraging trend of performance during 2nd half

Questions

