



Holdings Limited

EOH Announces Impressive Annual Results

Wednesday, September 14, 2016

In brief:

- * Revenue increased by 31% to R12 762 million (2015: R9 734 million).
- * Profit after tax increased by 34% to R930 million (2015: R692 million).
- * Headline earnings per share (HEPS) up 25% to 719 cents (2015: 575 cents).
- * Cash increased by 17% to R1 949 million (2015: R1 664 million).
- * Dividend up 23% to 185 cents.

EOH is the largest technology services provider in Africa. It has been listed on the Johannesburg Stock Exchange (JSE) since 1998 and has consistently delivered strong financial results.

During the year under review, revenue increased by 31% to R12 762 million and profit after tax is up by 34% to R930 million. Earnings per share (EPS) and headline earnings per share (HEPS) have grown by 25% and 25% respectively. Cash has increased by 17% to R1 949 million, placing EOH in a strong financial position, with substantial cash resources to ensure sustainable future growth. The dividend increased by 23% to 185 cents.

EOH has a wide range of IT services, software, IT infrastructure, industrial technologies and business process outsourcing (BPO) solutions. EOH's 12 000 staff members deliver these services to over 5 000 large enterprise customers across all major industries and has 134 points of presence in South Africa. EOH operates in 31 countries in Africa and the Middle East.

"Driven by our design, build and operate approach, we are able to provide end-to-end solutions across industry verticals. EOH has the widest offerings in our industry," says CEO Asher Bohbot.

Revenue derived from services increased by 32% and accounts for 77% of total revenue. All segments of EOH offerings have shown substantial growth. Revenue from IT services increased by 26%, software revenue increased by 39%, industrial technology by 37%, BPO by 39% and IT infrastructure by 7%.

"EOH's success is largely attributable to its unfailing business philosophy that is centred on people," says Bohbot. "We have always strived to attract, develop and retain the best people in the industry with the purpose of creating life-long, mutually beneficial partnerships with our customers and partners. Doing things right first time epitomizes the philosophy of EOH," says Bohbot.

EOH Holdings Limited

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Directors: A Bohbot (CEO), S Zungu (Chairman), PN Bam, JW King, DD Ramoo and JS Thomson | **Non Executive Directors:** L Khumalo, D Mackay, T Marwala, A Mothupi, RMM Sporen and TVBN Mnyango | **Company Secretary:** A Els



“EOH future growth strategy will be based on both organic and inorganic expansion. EOH plans to add new products and services, continue its aggressive expansion into Africa and the Middle East and will further grow the distribution of its own niche software products internationally”. Adds Bohbot

EOH views its involvement in the public sector as both a responsibility and a business opportunity. Through its wide range of specific solutions, EOH can contribute to improving service delivery. EOH intends to further increase its involvement in the public sector in all tiers of government – national, provincial and local.

EOH believes that business has the responsibility to help solve the problem of youth unemployment. In 2012, EOH launched its 'EOH Youth Job Creation Initiative' with the aim of working with business partners, customers and the Government to stimulate youth job creation through a year long internship programmes. So far, more than 10 000 jobs have been created country wide, together with its partners. As part of this programme, EOH launched its own Internal Learnership programme. To date more than 2 000 interns have participated in these programmes and more than 70% of these learners have been permanently employed by EOH. Another 700 learners are participating in the 2016 EOH owned, internal programme.

In partnership with the radio station 702, EOH is challenging all CEO's and government organisations to take at least 3% of their current staff complement as interns and learners. Through this, and other initiatives, we are aiming to create 100 000 jobs for the youth by 2020.

EOH is committed to transformation and is certified as a Large Enterprise Level 2 Contributor with BBBEE procurement recognition of 156% as a value-adding vendor. 55% of EOH's staff and 64% of its board members are black. EOH's current black shareholding is 48%.

EOH is recognised for the quality of its people and its strong delivery capabilities. "EOH has the people, the scale, the offerings, the financial resources, the agility and the know-how to continue to grow aggressively," concludes Bohbot.