18th November 2004

TO WHOM IT MAY CONCERN

The Education Investment Corporation Limited (Educor), South Africa’s leading provider of private education and training, is owned by Naspers, a highly diversified international media organisation, and the black empowerment group, Nicolaas Investments. Educor offers high quality face-to-face, full-time, part-time, block release and distance learning education and training programmes across South Africa for secondary, tertiary and post-graduate students and corporates. These include degrees, diplomas and certificates which are recognised internationally by leading education institutions in the UK and America. Educor holds the major brand names in private education, including Allenby Campus, Damelin Education Group, Graduate Institute of Management and Technology, INTEC, Midrand Graduate Institute and Milpark Business School. Our vision is to provide quality and relevant programmes to our learners to equip them for the job market, and build the nation and our programmes must create a passion for lifelong learning and improvement.

Following our new strategy for 2004/05, the quality and efficiency of the interface with our customer, the student, is of great importance to Educor; in particular the effective management of student loans is a critical point of interaction that requires urgent attention. We decided to utilise Xybanetx services to analyse the student loan management systems and processes with a view to identify opportunities for improvement and to construct an accelerated implementation programme that would enable us to achieve increased level of efficiency for the upcoming 2005 enrolment.

Xybanetx Analysis was conducted in a practical, no-nonsense manner that went beyond our expectations in terms of quality. In a very short timeframe the consultants gained not only a detailed understanding of our business and its key processes, but demonstrated an ability to understand the root causes of our inefficiencies and to add value to our organisation. The Analysis demonstrated in different ways the opportunity to halve the high levels of bad debt in our organisation, by revising credit management policies and procedures, focusing on control and management of resources and key performance indicators, coordinating in closing the technology systems gap in terms of functionality, understanding and usage, as well as implementing risk management systems.

By the end of the Analysis, the necessary buy-in to the required change process was reached at various management levels and we decided to proceed with the proposed Implementation Phase, with the continued support and involvement of Xybanetx. We are confident that the joint Project will be successful and will achieve all targeted results and we are happy to recommend the Analysis services of Xybanetx.

Mr. Jon Harding
Group Financial Director

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