

# GARRATT'S LIMITED

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## 91<sup>st</sup> ANNUAL GENERAL MEETING

5 NOVEMBER 1999

### ADDRESS BY THE CHAIRMAN, MR. PETER BURROWS

1999 was another record year.

The most significant events during the year were the steps we took to diversify the Company's operations.

Our acquisition of Premier Fasteners, Clarendon Business College and Supreme Business College contributed to profitability as well as strengthened the Company's position for the future.

The two colleges now come under '*AcademiesAustralasia*' – the brand name for Garratt's business in the Australian international education sector. The activities of AcademiesAustralasia are described in a folder of information – a copy of which you are welcome to take with you.

We are now at the final stages of negotiations in regard to participation in the USA-patented point of purchase interactive multimedia technology called '*Agent 13*'. Shareholders will be advised when arrangements are finalised.

Management accounts (unaudited) show that operating profit before abnormal items and income tax, after provision for interest on convertible notes and intangibles, for the quarter ended 30 September 1999 was substantially higher than that for the same period last year – thanks to the contributions by Premier Fasteners and the *AcademiesAustralasia* Group. In this respect, I would like to particularly commend Fred Pobje and his team at Premier Fasteners for an excellent first quarter result.

Electrodata is expected to contribute better in the second quarter as it begins to deliver on a recently won contract to supply recorders to Royal Australian Navy frigates.

Four of the seven resolutions being put to today's meeting relate to two issues that I raised when I addressed shareholders at last year's meeting. One is about the need for greater depth and spread in our shares. The other three relate to an employee share option scheme that has been developed with the view to encourage employee participation in the Company. I urge all shareholders to vote in favour of these resolutions.

Thank you.