GROUP FIVE

AUDITED GROUP RESULTS

FOR THE YEAR ENDED 30 JUNE 2007

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Incorporated in the Republic of South Africa Reg. no. 1969/000032/06
JSE code: GRF ISIN: ZAE 000027405

CONDENSED INCOME STATEMENT
for the year ended 30 June 2007

	AUDITED		
(R'000)	**2007**	As restated 2006	As previously reported 2006
Revenue	**7 689 168**	5 864 721	5 864 721
Operating profit	**391 624**	240 799	240 799
Fair value adjustment relating to investment properties	**9 393**	26 538	26 538
Fair value adjustment relating to investment in service concessions	**14 227**	1 385	1 385
Expense relating to issue of shares in terms of BEE broad-based scheme	**–**	(6 420)	(6 420)
Expense relating to issue of shares in terms of external BEE ownership scheme	**–**	(91 000)	–
Profit before finance costs and taxation	**415 244**	171 302	262 302
Finance costs	**(41 953)**	(30 329)	(30 329)
Profit before taxation	**373 291**	140 973	231 973
Taxation	**(129 560)**	(62 754)	(62 754)
Profit after taxation from continuing operations	**243 731**	78 219	169 219
Loss for the year from discontinued operations	**(1 129)**	(21 074)	(21 074)
Profit for the year	**242 602**	57 145	148 145
Allocated as follows:			
Equity shareholders of Group Five Limited	**234 879**	52 555	143 555
Minority interest	**7 723**	4 590	4 590
	242 602	57 145	148 145
Determination of headline earnings:			
Attributable profit	**234 879**	52 555	143 555
Deduct after tax effect of			
– fair value increase in investment property	**(6 669)**	(16 850)	(16 850)
– Losses on disposal of discontinued operations	**–**	15 254	15 254
Headline earnings	**228 210**	50 959	141 959

CONDENSED BALANCE SHEET
as at 30 June 2007

	AUDITED	
(R'000)	**2007**	2006
ASSETS		
Non-current assets		
Property, plant and equipment and investment property	**1 836 073**	522 794
Investments – service concessions	**73 928**	59 701
Other non-current assets	**188 215**	210 139
	2 098 216	792 634
Current assets		
Other current assets	**3 955 084**	3 060 102
Bank balances and cash	**670 507**	712 999
	4 625 591	3 773 101
Non-current assets classified as held for sale	**163 967**	338 667
Total assets	**6 887 774**	4 904 402
EQUITY AND LIABILITIES		
Capital and reserves		
Equity attributable to equity holders of the parent	**1 612 587**	681 257
Minority interest	**9 335**	1 762
	1 621 922	683 019
Non-current liabilities		
Interest bearing borrowings	**902 475**	126 305
Other non-current liabilities	**94 147**	35 364
	996 622	161 669
Current liabilities		
Other current liabilities	**4 227 456**	3 767 580
Bank overdrafts	**41 774**	143 849
	4 269 230	3 911 429
Liabilities directly associated with non-current assets classified as held for sale	**–**	148 285
Total liabilities	**5 265 852**	4 221 383
Total equity and liabilities	**6 887 774**	4 904 402

CONDENSED CASH FLOW STATEMENT
for the year ended 30 June 2007

	AUDITED	
(R'000)	**2007**	2006
Cash flow from operating activities		
Cash from operations	**487 195**	307 099
Working capital changes	**(388 685)**	294 164
Cash generated from operations	**98 510**	601 263
Finance costs	**(41 953)**	(30 329)
Taxation and dividends paid	**(164 270)**	(194 350)
Net cash (utilised in)/generated by operating activities	**(107 713)**	376 584
Property, plant and equipment and investment property (net)	**(112 003)**	20 926
Investments (net)	**(42 849)**	26 799
Net cash (utilised in)/generated by investing activities	**(154 852)**	47 725
Net cash generated from financing activities	**295 733**	67 407
Net cash generated by/(utilised in) discontinued operations	**26 415**	(100 681)
Net increase in cash and cash equivalents	**59 583**	391 035

STATISTICS
as at 30 June 2007

	AUDITED		
(R'000)	**2007**	As restated 2006	As previously reported 2006
Number of ordinary shares	**92 421 101**	73 918 218	73 918 218
Shares in issue	**118 446 901**	99 724 556	99 724 556
Less: Shares held by share trusts	**(26 025 800)**	(25 806 338)	(25 806 338)
Weighted average shares ('000s)	**80 672**	73 496	73 496
Fully diluted weighted average shares ('000s)	**98 056**	80 903	80 903
Earnings per share – R	**2,91**	0,72	1,95
Earnings per share from continuing operations – R	**2,93**	1,00	2,24
Headline earnings per share – R	**2,83**	0,69	1,93
Headline earnings per share from continuing operations – R	**2,84**	0, 98	2,22
Fully diluted earnings per share – R	**2,40**	0,65	1,77
Fully diluted earnings per share from continuing operations – R	**2,41**	0,91	2,04
Fully diluted headline earnings per share – R	**2,33**	0,63	1,75
Fully diluted headline earnings per share from continuing operations – R	**2,34**	0,89	2,02
Dividend cover (based on earnings per share)	**4,0**	1,3	3,5
Dividends per share (cents)	**72,0**	56,0	56,0
Interim	**30,0**	20,0	20,0
Final	**42,0**	36,0	36,0
Net asset value per share – R	**17,45**	9,22	9,22
Net debt to equity ratio	**36,9**	–	–
Current ratio	**1**	1	1

CONDENSED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2007

	AUDITED		
(R'000)	**2007**	As restated 2006	As previously reported 2006
Balance at 1 July	**683 019**	601 218	601 218
Translation differences arising from foreign operations	**(6 475)**	(28 915)	(28 915)
Share options and BEE ownership transaction costs	**7 879**	99 339	8 339
Issue of shares	**750 000**	–	–
Attributable profit for the year	**242 602**	57 145	148 145
Distribution to minorities	**(150)**	(7 134)	(7 134)
Dividends paid	**(54 953)**	(38 634)	(38 634)
Balance at 30 June	**1 621 922**	683 019	683 019

SEGMENTAL ANALYSIS – PRIMARY
for the year ended 30 June 2007

	AUDITED	
(R'000)	**2007**	2006
REVENUE		
Infrastructure Concessions	**226 016**	189 247
Property Developments	**307 784**	126 970
Manufacturing and Construction Materials	**754 849**	472 975
Everite	**457 925**	450 736
Quarry Cats	**231 081**	–
Group Five Pipe	**65 843**	22 239
Construction	**6 400 519**	5 075 529
Building and Housing	**3 121 921**	2 788 466
Civil Engineering	**2 484 293**	1 662 700
Engineering Projects	**794 305**	624 363
Total revenue	**7 689 168**	5 864 721
OPERATING PROFIT		
Infrastructure Concessions	**17 927**	12 398
Property Developments	**25 164**	25 132
Manufacturing and Construction Materials	**112 050**	60 205
Everite	**55 189**	56 658
Quarry Cats	**45 531**	–
Group Five Pipe	**11 330**	3 547
Construction	**236 483**	143 064
Building and Housing	**84 276**	78 903
Civil Engineering	**105 037**	50 169
Engineering Projects	**47 170**	13 992
Total operating profit	**391 624**	240 799

CAPITAL EXPENDITURE AND DEPRECIATION
for the year ended 30 June 2007

	AUDITED	
(R'000)	**2007**	2006
• Capital expenditure for the year	**374 214**	263 379
• Capital expenditure committed or authorised for the next year	**234 585**	151 156
• Depreciation for the year	**105 261**	70 874

ESTIMATES AND CONTINGENCIES

The group makes estimates and judgements concerning the future, particularly with regards to construction contract profit taking, provisions, arbitrations and claims and various fair value accounting policies. The resulting accounting estimates and judgements can, by definition, only approximate the actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Total financial institution guarantees given to third parties on behalf of subsidiary companies amounted to R2 375 million as at 30 June 2007 compared to R1 977 million at 30 June 2006. The directors do not believe any exposure to loss is likely.

DIVIDEND DECLARATION

The directors have declared a final dividend number 59 of 42 cents per ordinary share (2006: 36 cents) payable to shareholders.

To comply with the requirements of STRATE the relevant details are:

Event	**Date**
Last day to trade (cum-dividend)	Thursday, 20 September 2007
Shares to commence trading (ex-dividend)	Friday, 21 September 2007
Record date (date shareholders recorded in books)	Friday, 28 September 2007
Payment date	Monday, 1 October 2007

No share certificates may be dematerialised or rematerialised between Friday, 21 September 2007 and Friday, 28 September 2007, both dates inclusive.

ACCOUNTING POLICIES

These consolidated condensed financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and Schedule 4 of the South African Companies Act. The accounting policies are consistent with those used in the prior year other than as set out below:

AC 503 – "Accounting for Black Economic Empowerment (BEE) transactions" and IFRIC 8 – "Scope of IFRS 2", which were effective for all years beginning on or after 1 May 2006 concluded that the discounts arising on the issue of shares to external BEE shareholders in terms of a BEE ownership transaction should be expensed if there are no performance related conditions. As a result, the R91 million discount arising on the group's external BEE ownership transaction, which was concluded on 29 September 2005, has been accounted for as of that date. All prior years' reported results have been restated accordingly.

These results have been audited by PricewaterhouseCoopers Inc., Chartered Accountants (SA), Registered Auditors. Their unqualified audit opinion is available for inspection at the company's registered office.

COMMENTARY

OVERVIEW

The group is pleased to announce another solid year of growth. Earnings per share increased by 49.2% from R1,95 to R2,91 and headline earnings per share increased by 46.6% from R1,93 to R2,83. To ensure a like-for-like comparison, the prior year's figures are stated before accounting for the cost of the external BEE ownership transaction, as noted under Accounting Policies.

The group is also pleased to announce that during the year it successfully bid, in joint venture, for the R6,8 billion King Shaka International Airport and the R1,8 billion Moses Mabhida Durban Soccer Stadium for the 2010 World Cup. Post year end, the group has also been awarded a R1,8 billion contract by Transnet to widen Durban's existing harbour by 100 metres and to increase the depth by six metres. Group Five's share in the above work amounts to R4,3 billion over the next two to three years.

Group revenue increased by 31.1% from R5 865 million to R7 689 million and operating profit increased by 62.6% from R241 million to R392 million. The group achieved its short term overall operating profit margin percentage goal of 5% by recording a margin percentage of 5.1% (2006: 4.1%).

Fair value upward adjustments of R23,6 million (2006: R27,9 million) were recorded during the year, relating primarily to the group's interests in its Eastern European service concessions.

Despite the increase in operating profit, cash generated from operations decreased from R601,3 million to R98,5 million. This was primarily due to the growth in revenue, particularly in Civil Engineering as opposed to Building and Housing over the last six months. Civil Engineering is traditionally more working capital intensive than Building and Housing due to differing contract conditions in terms of payments and the fact that Civil Engineering consists of more own work than Building and Housing, which is more sub-contractor based. This was not unexpected and was one of the reasons for issuing the group's corporate bonds, noted later. The cash situation is regarded as a once-off switch due to a change in business mix and the short term target of the group is to be cash neutral in working capital going forward.

Cash of R154,9 million was spent on investing activities (2006: R47,8 million cash inflow) due to investments in investment property of R65,3 million (2006: R7,1 million) and net cash to acquire Quarry Cats of R42,8 million. In addition, cash inflows from the proceeds on the disposal of the JSE bare dominium of R73,9 million were recorded in F2006.

Net cash generated from financing activities of R295,7 million (2006: R67,4 million) reflects the raising of the R850 million bonds and the restructuring and repayment of the majority of the group's finance leases, which were at higher interest rates.

Net cash of R26,4 million (2006: R100,7 million outflow) was generated from discontinued operations relating to net payments received in the current year from the sale of Vaal Sanitaryware and DPI Plastics. All of the above resulted in net cash generated of R59,6 million (2006: R391 million). Cash and cash equivalents at the end of the year amounted to R628,7 million (2006: R569,2 million).

In line with expectations, finance costs increased by 38.3% from R30,3 million to R41,9 million. This was mainly due to the issue of the bonds at the end of February 2007 following the refocusing of the group, as discussed under Business Restructuring. The group was awarded an A1 short term and an A long term rating by the international credit rating agency, Global Credit Rating.

REVENUE (R'000)	
Change	31.1%
2007	7 689 168
2006	5 864 721

OPERATING PROFITS (R'000)	
Change	62.6%
2007	391 624
2006	240 799

PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS BEFORE EXTERNAL BEE OWNERSHIP EXPENSE (R'000)	
Change	44.0%
2007	243 731
2006	169 219

EARNINGS PER SHARE BEFORE EXTERNAL BEE OWNERSHIP EXPENSE (cents)	
Change	49.2%
2007	291
2006	195

HEADLINE EARNINGS PER SHARE BEFORE EXTERNAL BEE OWNERSHIP EXPENSE (cents)	
Change	46.6%
2007	283
2006	193

DIVIDEND PER SHARE (cents)	
Change	28.6%
2007	72
2006	56

COMMENTARY CONTINUED

The effective tax rate of 34.7% is higher than the South African statutory tax rate of 29% due to the effect of secondary tax on companies paid, together with the final losses incurred in Angola, for which no deferred tax asset has been raised.

The final dividend of 42 cents per share (2006: 36 cents) brings the total dividend for the year to 72 cents per share (2006: 56 cents), an increase for the year of 28.6%. The dividend is in line with the group's philosophy of four times covered based on earnings per share.

BUSINESS REFOCUSING

As noted in the interim announcement on 15 February 2007 and subsequent SENS announcements, the group continued its business refocusing, which was started in F2006. This is aimed at continuing Group Five's stated strategy of building a balanced portfolio across focused geographies.

During the current year, the following were concluded:

- Final approvals for the sale of Vaal Sanitaryware and DPI Plastics
- Final approvals for the acquisition of Quarry Cats, a sand and stone supply, contract crushing and readymix supply business, with effect from 1 February 2007. This was fully funded through an issue of shares
- The issue of R850 million bonds out of a R1 billion domestic medium-term funding note programme on the Bond Exchange of South Africa at the end of February 2007 to fund potential future acquisitions, eliminate expensive short term debt, manage working capital and consolidate long term finance leases
- Final approvals for the acquisition of Sky Sands, a business involved in the supply to building materials merchants, the building industry and the pre-cast concrete products industry, with effect from July 2007

This business complements Quarry Cats and further expands the group's presence in the infrastructure sector.

The group will continue to review its current businesses, as well as further opportunities to:

- Align itself to and diversify itself along the infrastructure value chain
- Enhance profit margins and cash generation
- Take interests in strategic investments

OPERATIONAL REVIEW

As outlined above, the group continued to modify its structure in F2007. The current structure is as follows:

INVESTMENTS AND CONCESSIONS		MANUFACTURING AND CONSTRUCTION MATERIALS			CONSTRUCTION		
INFRASTRUCTURE CONCESSIONS	PROPERTY DEVELOPMENTS	MANUFACTURING AND CONSTRUCTION MATERIALS			CONSTRUCTION		
INFRASTRUCTURE CONCESSIONS	PROPERTY DEVELOPMENTS	EVERITE BUILDING PRODUCTS	QUARRY CATS	GROUP FIVE PIPE	BUILDING AND HOUSING	CIVIL ENGINEERING	ENGINEERING PROJECTS

INVESTMENTS AND CONCESSIONS

Investments and Concessions consists of Infrastructure Concessions and Property Developments. Infrastructure Concessions includes toll road concession contract developments. Property Developments creates quality Group Five branded property assets generating operating investment returns. Investments and Concessions contributed 6.9% (2006: 5.4%) to group revenue.

Infrastructure Concessions

The business currently consists of toll road operations and maintenance services, including toll system design, procurement, implementation and operation and routine road maintenance services, together with equity interests in selected toll road service concessions.

The presentation of the results of this business was amended in the current and prior year to more accurately reflect the operating results of the business. Direct costs incurred in pursuing large-scale contracts, which do not relate specifically to this business, have been reallocated throughout the group.

Revenue, which consists primarily of fees for the operation and maintenance of toll roads, increased in line with budget by 19.4% from R189,2 million to R226 million, primarily due to the unfolding of the operations in Hungary and Poland.

Due to the increasing contribution from Eastern Europe, the operating profit margin increased to 7.9% (2006: 6.6%), with operating profit improving by 44.6% to R17,9 million (2006: R12,4 million). In addition, outside of operating profit, the business recorded R14,2 million (2006: R1,4 million) fair value increases relating to investments in its Eastern Europe concession businesses.

Property Developments

Since its inception three years ago, Property Developments has focused on property development opportunities in South Africa in the commercial, industrial, retail and residential markets, together with taking an interest in specific investment properties.

Its revenues consisted primarily of development fees, rentals on investment properties and profits made through the conclusion of property development sales. In addition, its profitability was enhanced by fair value increases on its investment properties, although these increases are reflected outside of operating profits.

In the year under review, Property Developments' revenue doubled in line with its capacity and expectations to R307,8 million (2006: R126,9 million). Operating profit was in line with the prior year at R25,1 million, although operating profit margin percentage decreased to a more realistic 8.2% (2006: 19.8%). This was in line with expectations, as F2006 was positively affected by the profits from a once-off large-scale redevelopment of one of the previous Everite factories. In addition, outside of operating profit, the business recorded fair value increases of R9,4 million (2006: R26,5 million) relating to its investment properties. The group is currently evaluating a repositioning of its property development portfolio.

MANUFACTURING AND CONSTRUCTION MATERIALS

Manufacturing and Construction Materials contributed 9.8% (2006: 8.1%) to group revenue. The increased contribution from the prior year was primarily due to the acquisition of Quarry Cats, with effect from 1 February 2007. Operating profit almost doubled to R112,1 million (2006: R60,2 million) and overall operating profit margin percentage improved to 14.9% (2006: 12.7%).

Everite continued to operate at full capacity, with the newly installed capacity coming on line in July 2007 and expected to increase output by 20% to 25% over the next few years. Although pressure on prices continued to affect the business' performance, revenue remained in line with the prior year at R457,9 million (2006: R450,7 million), with the operating profit margin percentage maintained at 12.1% (2006: 12.6%).

Quarry Cats performed in line with expectations since its acquisition on 1 February 2007 and achieved revenue of R231,1 million, with operating profit of R45,5 million at an overall operating profit margin percentage of almost 20%. Quarry Cats is margin enhancing, complements the group's expansion and growth strategy in the infrastructure sector and mitigates the risk of future material shortages with respect to key building and infrastructure contracts in Gauteng. The group's management also has prior experience in the crushing and readymix concrete sectors. The outlook is extremely positive for this business and further contract mining opportunities are being pursued.

As with Quarry Cats, with the group's purchase of Sky Sands with effect from 1 July 2007, additional margin-enhancing capacity has been secured in the infrastructure value chain and further mitigation of material shortage risk has been assured.

As noted in the prior year and in the interim announcement, the full positive effects of the VRESAP pipeline contract flowed through the group's joint venture, Group Five Pipe, in the current year. Group Five's share of the revenue and operating profits trebled to R65,8 million (2006: R22,2 million) and R11,3 million (2006: R3,5 million), respectively, resulting in an operating profit margin percentage of 17.2% (2006: 15.9%). Further work is being pursued.

CONSTRUCTION

The group's largest contributor at 83.2% (2006: 86.5%) of revenue continued its strong growth and remains well positioned for future growth in the sector, both locally and internationally.

Overall construction revenue increased by 26.1% from R5 076 million to R6 401 million and operating profit increased by a significant 65.3% from R143 million to R236 million, resulting in an overall operating profit margin percentage of 3.7% (2006: 2.8%). The group is confident that given the current market conditions, a medium term operating profit margin percentage of 5% is achievable for the overall construction business. In fact, this business sector achieved a margin of 5% for the six months ending 30 June 2007.

Building and Housing revenue increased by 12.0% from R2 788 million (73% local) to R3 122 million (73% local), while operating profit increased by 6.8% from R78,9 million to R84,3 million, resulting in the overall operating margin percentage remaining constant at around 2.7% (2006: 2.8%).

As noted in the interim announcement, the prior year's margins were positively affected by the completion of higher-margin East African contracts. Margins continue to remain tight in the local market and the group has started transferring skills to work in joint venture with the Civil Engineering business where higher-margin work is coming through, particularly on the large contracts such as the King Shaka Airport and the Moses Mabhida Durban Soccer Stadium for the 2010 World Cup. Accordingly, the secured one year order book is R1,9 billion (100% local) compared to R2,5 billion at 30 June 2006.

Civil Engineering revenue increased by 49% from R1 663 million (35% local) to R2 484 million (33% local), while operating profit more than doubled to R105 million from R50,2 million, resulting in an operating profit margin percentage increase to 4.2% (2006: 3%). Civil Engineering activity locally, in Africa and Dubai continues to improve and Dubai, in particular, produced its best results to date. The secured one-year order book stands at R2,2 billion (45% local), the highest of the construction businesses and surpassing Building and Housing for the first time in many years, reflecting the increased activity in this sector. This compares favourably to a secured one-year order book of R1,8 billion at 30 June 2006.

Subsequent to year-end, an agreement was reached with the group's sponsors in Dubai, Al Naboodah Construction Group, to form a new joint venture company to grow the current civil engineering business and set up an engineering projects business in the mechanical, electrical and piping market. This should ensure sustainable growth in this region going forward.

Engineering Projects had an impressive year following the disappointing results in the prior year. Revenue increased by 27.2% from R624 million (33% local) to R794 million (26% local) and operating profit more than trebled from R14 million to R47 million, with operating profit margin percentage improving to 5.9% (2006: 2.2%). Activity in the mining and power sectors in Africa remains buoyant and, as noted above, an opportunity exists to enter Dubai. The secured one-year order book stands at R735 million (27% local), which, prior to this year, is equal to or greater than the annual revenues achieved in this business in the previous five years. This compares favourably to the secured one-year order book at 30 June 2006 of R400 million.

BOARD CHANGES

During the year under review and subsequent to the year-end, a number of changes were made to the board of directors:

- Ms P Buthelezi was appointed to the board on 4 July 2007 to take over as chairperson from Mr D Paizes who will be retiring on 16 October 2007 after serving for 11 years on the board, of which two were as chairman
- Mr MR Upton was appointed to the board on 17 November 2006 to take over as CEO on 1 April 2007 from Mr MH Lomas who retired on 31 March 2007
- Mr PS O'Flaherty, deputy CEO and CFO, resigned with effect from 30 June 2007. A replacement CFO is actively being sought
- Mr MR Maruma resigned on 26 January 2007 to pursue other opportunities
- Mr MSV Gantsho was appointed on 17 November 2006. He is a representative of the iLima consortium, a partner in the group's BEE ownership shareholding structure

PROSPECTS

The construction one-year order book stands at R4,8 billion, of which 63% is local. Given the current group construction revenue capacity of around R7,3 billion, significant scope exists to enhance profitability through securing higher-margin work. The construction market, particularly in South Africa, remains strong. This strong environment provides the group with the scope to choose higher-margin contracts, improve management of cash flows, reduce risk exposure on new contracts and maximise its allocation of resources.

With a full year's contribution from Quarry Cats and Sky Sands at higher than average margins and increased capacity output from Everite, the Manufacturing and Construction Materials business is expected to provide an increased contribution to operating profit in the next year.

Given the above, the group is expected to achieve further strong earnings growth in F2008.

On behalf of the board

D Paizes
Chairman

M R Upton
Chief Executive Officer

8 August 2007