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DEBT CAPITAL MARKET PRESENTATION

May 2016

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AGENDA

SECTION 01

OVERVIEW OF H1 F16

SECTION 02

GROUP PROSPECTS

SECTION 03

FINANCIAL REVIEW

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AGENDA *(continued)*

SECTION 04

SEGMENTAL REVIEW

SECTION 05

DMTN PROGRAMME

SECTION 06

ANNEXURES

SECTION 01

OVERVIEW OF H1 F16

Medtronics building

GROUP FIVE structured ingenuity

Financial summary

	H1 F2016 vs. H1 F2015	H1 F2016 unaudited	H1 F2015 unaudited*	H2 F2015 unaudited
Revenue – Rm	+5%	**7 265**	6 903	6 973
Operating profit – Rm	+41%	**289**	206	160
HEPS – Rand	+20%	**1,31**	1,09	0,96
Fully diluted HEPS – Rand	+21%	**1,31**	1,08	0,96
EPS – Rand	+42%	**1,68**	1,18	1,04
Fully diluted EPS – Rand	+44%	**1,68**	1,17	1,04
Dividends per share – cents *Maintained policy of 4.0 x covered on EPS*	+40%	**42,0**	30,0	25,0

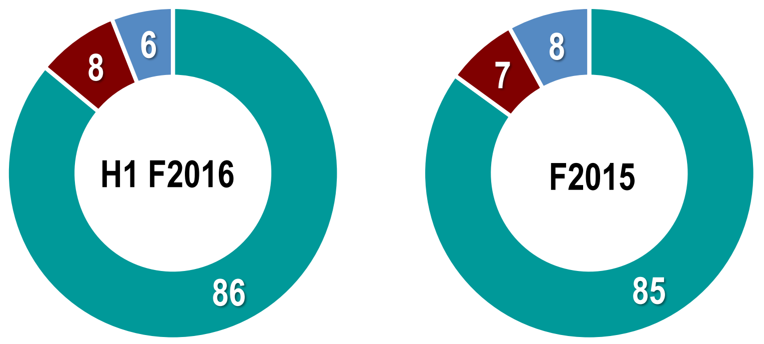
H1 F2016 Headline earnings *(net of tax) adjusted for*

- *R35,4m profit on fair value adjustment of an investment property (H1 F2015: nil)*
- *R22,1m profit on sale of property plant and equipment (H1 F2015: R1,1m loss)*
- *R20,2m net loss on impairment & disposal of associate (H1 F2015: nil)*

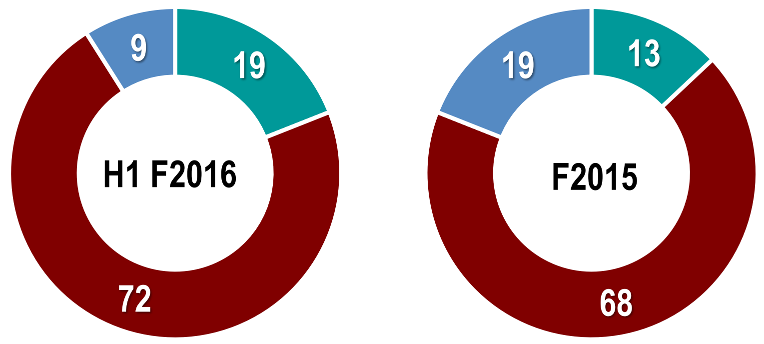
** Restated for the application of IFRS 5 – Non-current assets held for sale and discontinued operations, as a result of the decision to transfer the remaining business within the discontinued cluster of Construction Materials into continuing operations within the Manufacturing cluster*

Financial summary by cluster

Total Revenue - % of group



Core Operating Profit - % of group



Engineering & Construction	Investments & Concessions	Manufacturing
Building & Housing	*Transport*	*Fibre Cement*
Civil Engineering	*Real Estate*	*Steel*
Projects		
Energy		

H1 F2016 results in context

Solid improvement in group earnings

- **Excellent performance from Investments & Concessions drove improvement in group earnings off comparatively low H1 F15 base**
  - Strong profit delivery from European business
  - Further growth in value of investment portfolio

E&C disappointed

- **Engineering & Construction disappointed**
  - Continued weak operational performance in challenging markets; project roll-outs generally very slow
  - Corrective action starting to deliver results
    - Overall contract loss-making ratio improved

Building & Housing	Lower result in tight margin environment
Civil Engineering	Reduced level of losses; further restructuring costs incurred
Projects	Down; disappointing but profitable; limited new work
Energy	Up; solid prospects for new power contracts

Strong cash

- **Manufacturing:** Lower result in difficult markets; in line with H2 F15
- **Order book intake** improved during Q2 F16, but order book down from F15
- **Group cash balance at a record high**

SECTION 02

GROUP PROSPECTS

› Group outlook

› Order books

REIPP Jasper Solar Project

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Management focus areas

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MAKE INFRASTRUCTURE HAPPEN

- Africa's leading project development, construction & concessions group
- Southern Africa's leading light-weight dry building materials manufacturer
- Eastern European based toll motorway development, investment & operating company

External considerations

- SA markets tougher than anticipated in Aug 15
- Africa active, but long gestation periods

Action

- Strong focus on proactive, innovative SA tendering
- Consolidated African operational leadership
  - Considerable African infrastructure needs
  - Abundant finance available
  - Anticipate wins in 6 - 12 months

Internal health

- Improving E&C performance
  - Loss-making ratio back to norm
- Negative operating leverage
  - Lag between current market weakness & medium-term benefits of cost cuts - balancing capacity to secure work
- Return on Capital per cluster
  - I&C well above target
  - Manufacturing in line with target
  - E&C well below target; ineffective capital employed

Action

- Cut more costs – Group and BU
- Adopt alternative project delivery to lower overhead risk
- Release capital
- Redeploy into Africa (41% of contracting order book)

Group outlook

Order books	**Total reported order book** **R17,6bn (F15: R18,8bn)** – Contracting R11,8bn (F15: R14,1bn) – Operations & Maintenance R5,8bn (F15: R4,7bn)
Group margin	**Margin pressure to continue for F2016** – Order book growth expected to be low to negative – Secured order book mix slanted towards lower margin sectors & geographies – Early stage profit recognition for Kpone IPP (Ghana) – Further restructuring costs – Tough local manufacturing environment, with poor demand visibility – Positive margin support from I&C
Cash & balance sheet	**Strong balance sheet** – net ungeared **Cash balance healthy** at R3,6bn; **expect some unwind** through H2 F16
Returns	Total **ROE at 10.4%*** (F2015: 8.1%) – focus to return to target range in medium term
Earnings F2016	**Expect improved results** – enhanced group operating structure, improvement in the contract loss-making ratio and further strong I&C performance

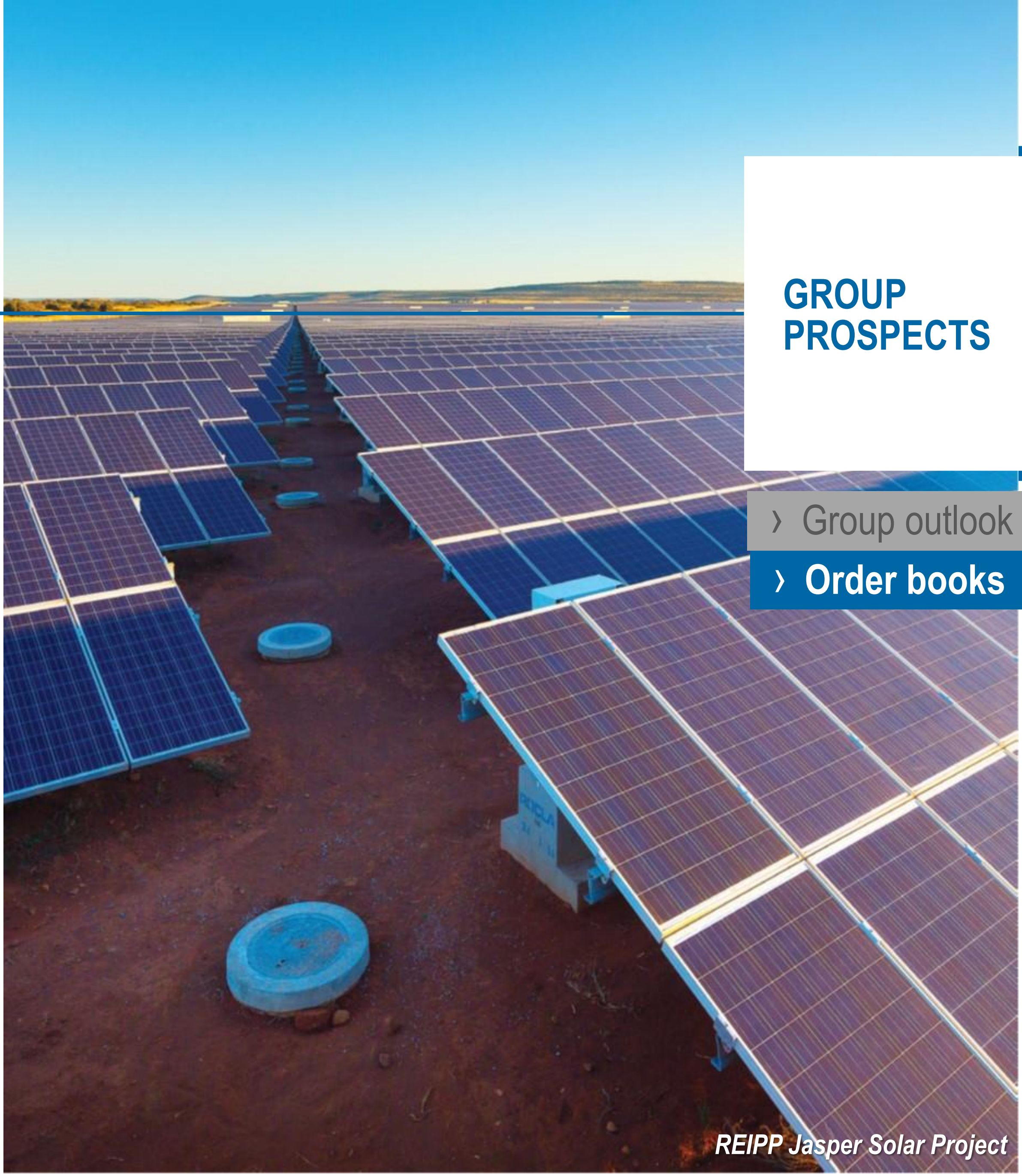
** Annualised*

SECTION 02

GROUP PROSPECTS

› Group outlook

› **Order books**



REIPP Jasper Solar Project

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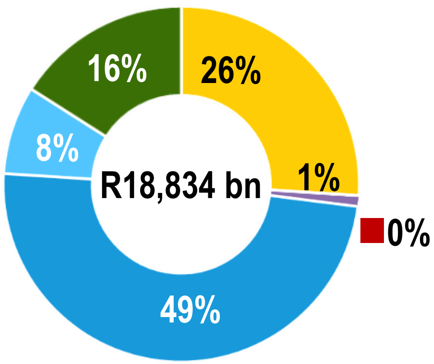
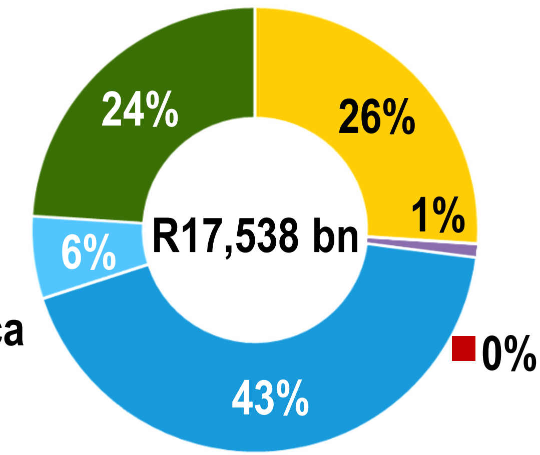
Secured Total* Order Book

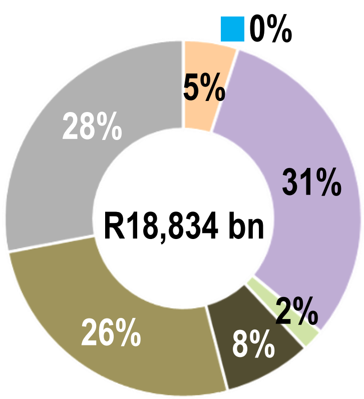
June 2015 | By geography | December 2015



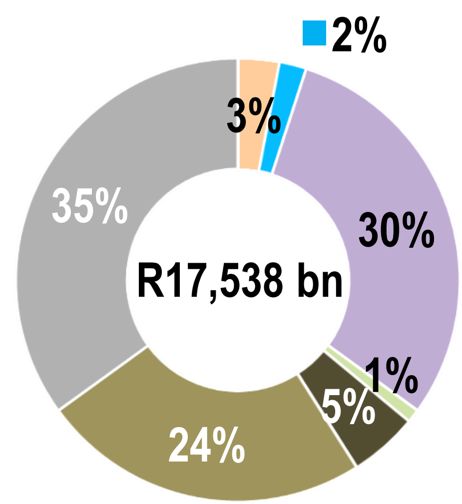
- West Africa
- Central Africa
- East Africa
- South Africa
- Rest of Southern Africa
- Eastern Europe



June 2015 | By sector | December 2015



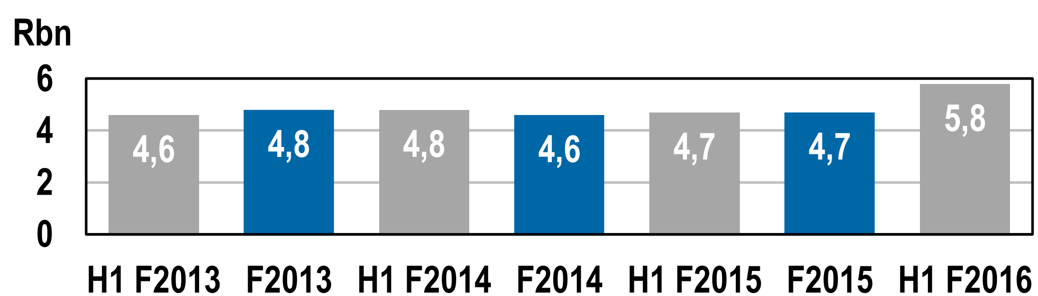
- Mining
- Industrial
- Power
- Oil & gas
- Water
- Real estate
- Transport



** Total order book comprises secured Contracting and O+M order books*

Secured Operations and Maintenance order book – *annuity income*

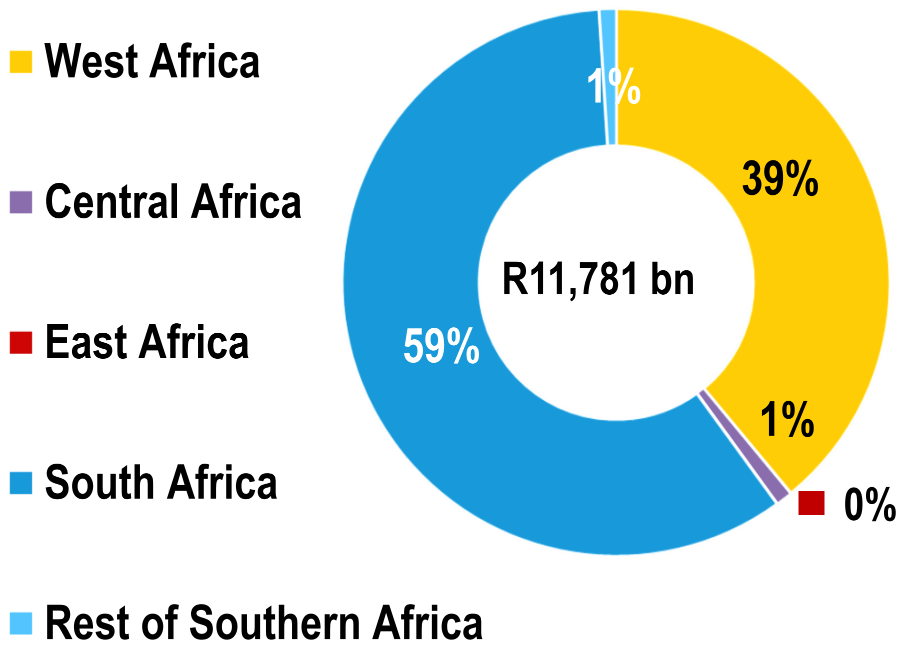
Rm	Actual revenue				Order book		
	F2013	F2014	F2015	**H1 F2016**	H2 F2016	3-year to F2019	**Total secured ***
Transport	654	834	892	**461**	497	2 503	**5 574**
Industrial, Oil and Gas	59	224	157	**69**	47	-	**47**
Power	-	-	24	**21**	22	105	**136**
Total	**713**	**1 058**	**1 073**	**551**	**566**	**2 608**	**5 757**



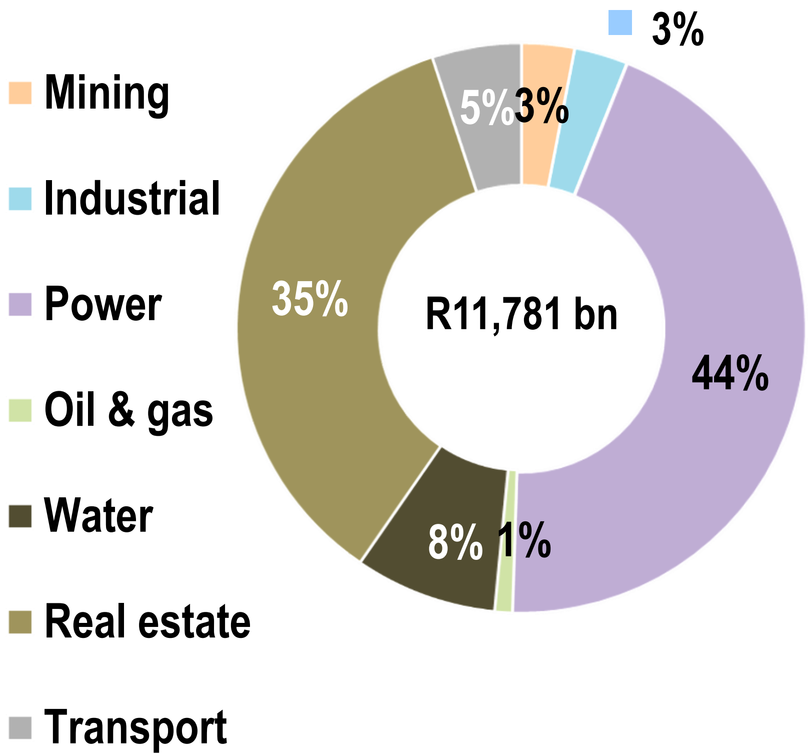
* *Total secured order book is:*
- *valuation to first review date of secured contracts only*
- *valued using real cash flows (excluding escalation clauses)*

Secured Contracting Order Book

By geography



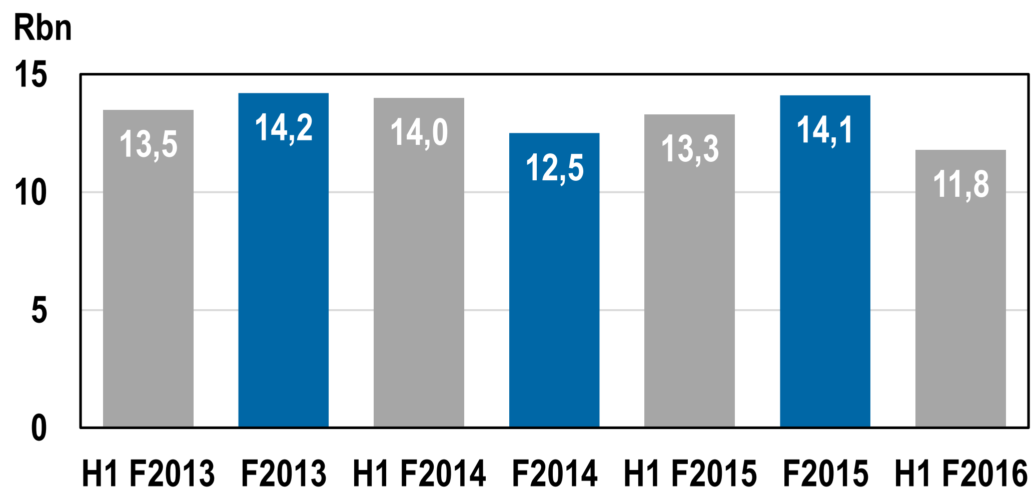
By sector



Secured Contracting Order Book

	Total	Building & Housing	Civil Engineering	Projects	Energy
Total order book – Rm 30 June 2015	14 147*	6 094	3 293	2 855	1 905
Total order book – Rm 31 Dec 2015	**11 781***	**4 972**	**3 054**	**2 119**	**1 636**
% Over-border	**41%**	**-**	**51%**	**85%**	**94%**
▪ Public over-border	-	-	-	-	-
▪ Private over-border	41%	-	51%	85%	94%
% Local	**59%**	**100%**	**49%**	**15%**	**6%**
▪ Public local	30%	55%	26%	1%	-
▪ Private local	29%	45%	23%	14%	6%

- Order intake at reduced levels; but improved in Q2 F16
- Pressure highest in Civils and Projects
- Good share EPC/multi-disciplinary work
  - Expect cyclicality as EPC work increases as % of book



* *Values include only Group Five's portion of fully secured construction work*

Secured Contracting Order Book

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▪ Public local	30%	55%	26%	1%	-
▪ Private local	29%	45%	23%	14%	6%
1-year order book from 1 Jan 16 Rm	**8 451**	**3 649**	**2 203**	**1 480**	**1 119**
1-year order book as % of F2015 revenue	**72%**	**75%**	**83%**	**67%**	**58%**
Total order book as % of F2015 revenue	**101%**	**102%**	**115%**	**96%**	**85%**

Key contracts include:

- Tshwane Municipal office: Munitoria
- Kpone Power Plant
- Pearl Sky Residential
- Hazelmere Dam Raising
- Kuvaninga Power Plant
- Werksmans Head Office

* *Values include only Group Five's portion of fully secured construction work*

Multi-year target Opportunity Pipeline*

Rbn	International split			Local split			Total
	Total as at 31 December 2015: R131bn						
	Total	Private	Public	Total	Private	Public	
Total pipeline	**64**	48	16	**67**	41	26	**131**
Pre-Tender & Tender^	**13**	13	-	**37**	16	21	**50**

The pipeline is down from that previously reported due to further refinement and focus on targeted areas of the pipeline. These remain largely unchanged from June 2015

- Opportunities: 49% international vs 51% local
- SA Public sector work: 20%
- Power & Transport sectors favoured

14% of group awards during the period came from the pipeline presented in June 2015

* *These are the projects targeted by the group – not to be confused with the Engineering & Construction contracting order book; full details included in the appendix*

^ *Value within the multi-year opportunity pipeline in pre-tender and tender stage*

SECTION 03

FINANCIAL REVIEW


Mall of Africa

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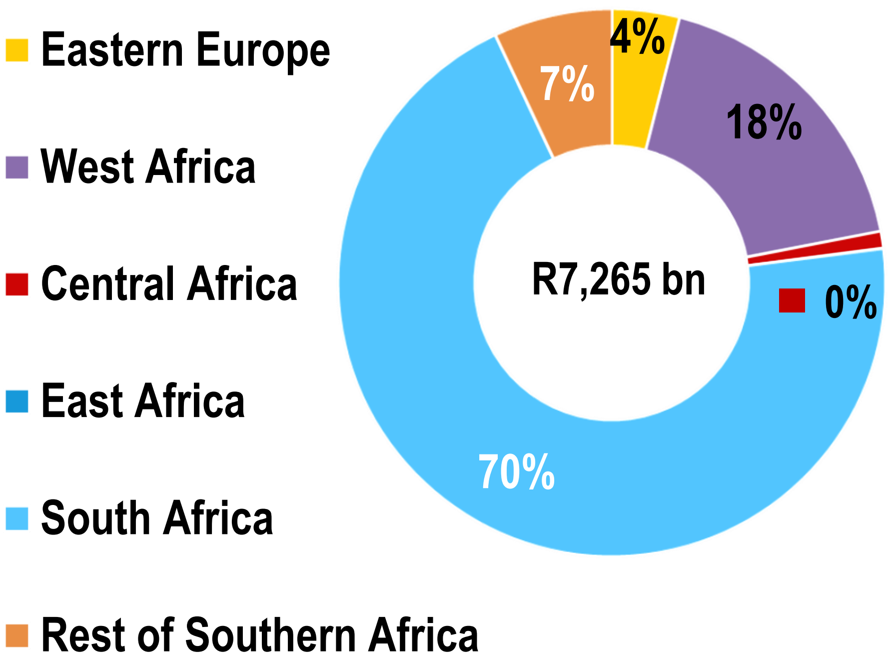
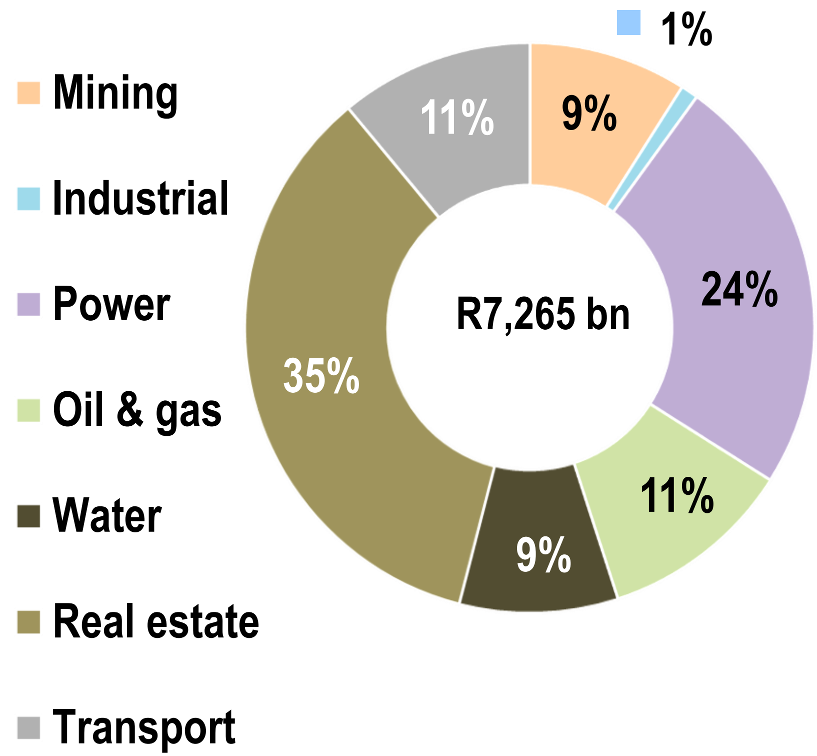
H1 F2016 Traded revenue

By geography



By sector



Underlying performance

Engineering & Construction	Target range (2-3 year guidance) (set at F2015 reporting date)	Core margin*		
		F2015	H1 F2016	
Building & Housing	2 – 4% Short term lower end of range	1.9%	**1.3%**	**Below target range**
Civil Engineering	2 – 4% Short term lower end of range	(3.6%)	**(1.4%)**	**Below target range****
Projects	3 – 6% Short term lower end of range	0.9%	**1.8%**	**Below target range*****
Energy	3 – 5% Short term lower end of range	1.3%	**1.9%**	**Below target range #**
Investments & Concessions	15 – 20%	23.8%	**38.8%**	**Above target range**
Manufacturing	6 – 8%	6.4%	**6.2%**	**Within target range**

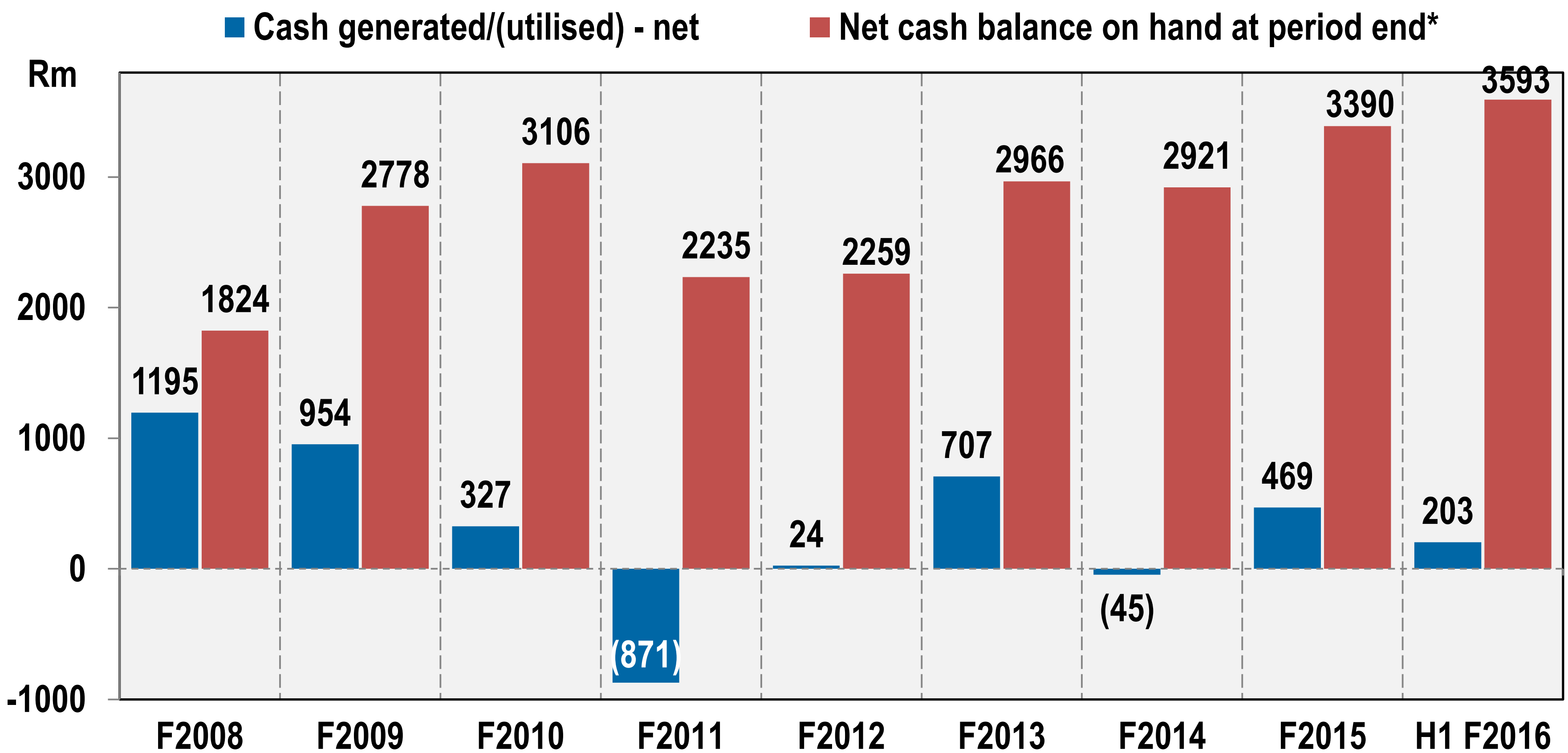
** Core margin is total margin adjusted for non-core transactions of e.g. pension fund surplus/deficits, but not adjusted for profit/loss on sale of fixed assets*

*** Retrenchment and holding costs in excess of that originally planned amounts to 0.8% of margin. Profit on sale of fixed assets amounts to 1.3%. The margin excluding these costs and profits was a loss of 1.9%*

**** Profit on sale of fixed assets amount to 1.1% of margin. The margin excluding this profit was 0.8%*

 # Nuclear investment costs included within this segment impacted the margin by 1.3%

Cash flow



Net gearing %	nil	nil	nil	nil	nil	nil	nil	nil

- Cash on hand is healthy given current weak market environment
- Excess cash will be applied to future equity investments, mainly in Investments & Concessions

** Cash includes cash held in non-current assets held for sale*

Funding

Sources

H1 F2016					
Rm	Indirect Lending* (Guarantees)^	Direct* Lending	DMTN**	Mortgage*	Asset *
Facility	13 107	507	1 000	81	263
Utilised	7 448	445	280	81	151
Available	5 659	62	720	-	112

Covenants

Covenant	Measurement	Target	H1 F2016
Leverage Ratio	Net Debt to EBITDA	2	(2.4)
Interest Cover Ratio	EBITDA to Net Finance Costs	4	46
Gearing Ratio	Net Borrowings to Tangible Net Worth	35%	(32%)

** Committed* *** Domestic Medium Term Note Programme* *^ Bank and Insurance*

Key financial ratios

	H1 F2016 unaudited	F2015 audited	F2014 audited*	F2013 audited*	F2012 audited	Targets
Net gearing – debt to equity ratio %	**-**	-	-	-	-	maximum 33
Cash from operations before working capital changes (Rm)	**215**	425	903	640	425	cash generative
Cash from operations (Rm)	**313**	544	372	961	579	cash generative
Net increase in cash (Rm)	**203**	469	(45)	707	34	cash generative
Cash on hand at period end (Rm)**	**3 593**	3 390	2 912	2 966	2 268	n/a
External guarantees unutilised (Rm) **Total facility at period end (Rm)**	**5 659** **13 107**	5 306 12 450	8 739 12 382	5 652 10 021	5 837 10 147	Sufficient for tender
Return on shareholders equity % – H1 annualised	**10.4%**	8.1%	16.8%	13.0%	(14.1%)	15% – 20% medium to long term

*** Cash as per statement of financial position*

** Restated for the application of IFRS 5 – Non-current assets held for sale and discontinued operations, as a result of the decision to transfer the remaining business within the discontinued cluster of Construction Materials into continuing operations within the Manufacturing cluster*

Capital expenditure

Cluster Rm	Revised Budget F2016	Original Budget F2016	Actual H1 F2016	Nature of H1 F2016 spend %		
				Expansion	Replace-ment	Contract specific
Engineering & Construction	153	260	94	*32%*	*26%*	*42%*
Investments & Concessions	29	22	14	*49%*	*51%*	-
Manufacturing	85	95	16	*93%*	*7%*	-
Total	267	377	124	*42%*	*27%*	*31%*

- Combination of replacement & contract-specific capex for secured West African & South African contracts
- Spend relates mainly to rolling replacement & expansion of fleet in Intertoll Europe business
- Spend relates to production line expansion

Industry issues

Competition Commission (CompCom)

- Engaging with CompCom to responsibly settle outstanding matters
- 2 remaining matters not settled due to lack of evidence & factual discrepancies
  - Group Five elected to assess its position on referral to the Tribunal
  - Process with Tribunal continues
  - Group maintains a co-operative stance with the authorities to conclude the matter
  - Provision assessment unchanged

Transformation

- Company and sector transformation fundamental to align with national and sector priorities
- Focused drive led by CEO

Middle East – NAV R116m

- Operations closed; costs no longer material
- Further progress on final close-out of all matters
- Debtors & contracts recovery in progress

SECTION 04

SEGMENTAL REVIEW

GROUP FIVE
structured ingenuity

SECTION 04

SEGMENTAL REVIEW

Darvill Waste Water Treatment Works upgrade

Engineering & Construction	Investments & Concessions	Manufacturing
Building & Housing	*Transport*	*Fibre Cement*
Civil Engineering	*Real Estate*	*Steel*
Projects		
Energy		

Engineering & Construction

Building & Housing

	H1 F2016 Review	Looking forward
South Africa	▪ Performance good in increasingly competitive low margin market ▪ Improved delivery & quality ▪ Successfully completed number of new builds	**Building** ▪ Good forward order book ▪ More competition from medium-sized enterprises ▪ Sub-contractor base stretched - capacity constraints ▪ Rising interest rates will impact market **Housing** ▪ Good order book despite decline in mine housing ▪ Good awards in low cost housing but awaiting government NTP**
Rest of Africa	▪ No new contracts in the period	▪ Property & Africa team opening new markets & opportunities ▪ Housing bids under adjudication in Oil & Gas, selected Mining & Power

Segment target margin range* remains 2 – 4%, short term just below range

R4 972m order book	0% over-border
	100% SA

** 2-3 year guidance*
*** notice to proceed*

Engineering & Construction

Civil Engineering

	H1 F2016 Review	Looking forward
South Africa	▪ Market still very tough – Scarcity of sizeable projects – Strong competition, low margins – Industrial action; low productivity ▪ Kusile near completion ▪ E.Cape contract complete (no losses in H1) ▪ Additional restructuring costs ▪ Improved loss-making ratio	▪ Highly competitive market set to continue ▪ Mining & Industrial markets remain weak ▪ Public sector roll out uncertain ▪ Road & water contracts available, but issued in smaller packages ▪ REIPP^ power prospects ▪ Further corrective action & staff reductions
Rest of Africa	▪ Kpone progress on track (refer slide 22) ▪ Focus on new African developments	▪ Transport awards expected 6 – 18 months ▪ Focus on Power, Transport and Oil & Gas

Segment target margin range* remains 2 – 4%, short term below range, not loss-making

R3 054m order book	51% over-border
	49% SA

** 2-3 year guidance*

^ Renewable Energy Independent Power Producer Programme

Engineering & Construction

Projects

	H1 F2016 Review	Looking forward
	Mining sector weak & industrial sector quiet in SA & rest of Africa	
South Africa	▪ E.Cape contract complete (no loss in H1) ▪ Labour unrest, especially at KZN project, impacted segment performance ▪ Higher proportion of lower-margin local work	▪ Focused expansion into lower-margin, but higher-volume Power and Oil & Gas SMEIP** ▪ Strong delivery team for multi-disciplinary contracts
Rest of Africa	▪ Strong performance on contracts ▪ Kpone progress on track (refer slide 22)	▪ Order book and margin pressure; more global competitors – The group's on-the-ground presence, reputation and experience a differentiator ▪ Focused drive in Africa: – New territories showing strong growth – Select prospects supporting Energy EPC

Segment target margin range* remains 2 – 4%, short term just below range

R2 119m order book	85% over-border
	15% SA

* *2-3 year guidance*

** *SMEIP = Structural, mechanical, electrical, instrumentation and piping*

Engineering & Construction

Energy

	H1 F2016 Review	Looking forward
South Africa	**Power** ▪ Finalisation of renewables contracts ▪ Selected O+M annuity income **Oil & Gas** ▪ Performance behind plan – "Clean Fuels" project delays – Slowdown in refinery spend **Nuclear** ▪ Maintained holding cost for nuclear readiness ▪ Second contract at Koeberg signed	**Power** ▪ Tenders active, but awards delayed; renewable focus ▪ Imminent DOE Gas IPP contract **Oil & Gas** ▪ Limited orders - turnaround & shutdown work ▪ Weaker margins - influx of foreign competitors **Nuclear** ▪ Expect clearer outlook for build programme in F16 ▪ Group Five one of few contractors currently active
Rest of Africa	**Power** ▪ Early stage Kpone progress on track, procurement orders complete, manufactured items en route, site works commenced ▪ Kuvaninga successfully completed	**Power** ▪ Tenders still increasing - global developer & investors **Oil & Gas** ▪ Solid prospects - FEED^ studies in E. & W. Africa, slower roll-out due to low oil price

Segment target margin range* remains 2 – 4%, short term bottom of range

R1 819m order book	
	85% over-border
	15% SA

^ Front End Engineering & Design

** 2-3 year guidance*

*** operations & maintenance*

SECTION 04

SEGMENTAL REVIEW

Engineering & Construction	**Investments & Concessions**	Manufacturing
Building & Housing	***Transport***	*Fibre Cement*
Civil Engineering	***Real Estate***	*Steel*
Projects		
Energy		

A1 Polish Concession

Transport

H1 F2016 Review

Intertoll Europe

- Additional O+M^ annuity income secured
  - M6 Phase 1 (Hungary) investment + 10-year O+M
  - N. Ireland 20-year O+M contract
- Equity returns (FVAs) delivering upside (lower risk profile, high traffic)
- Further value from currency

Intertoll Africa

- Focus on operational efficiencies & cost savings
- Zimbabwe operations performing well
- Secured Marianhill N3 CTROM (post reporting date)

Looking forward

Intertoll Europe

- High volume of bid activity in target countries
- Commence N. Ireland contract target for Q4 F16
- Awarded preferred bidder status on Polish government O+M project
- Signed advisory deal on I66 project in USA
  - Low risk & low cost early stage entry

Intertoll Africa

- Good pipeline – Ghana, Gabon, Uganda, Zambia, Zimbabwe
- Pursue targets with partners; award/s in 9 - 18 months
- Further own-toll system development; key differentiator with full service offering
- Gain market share via wrapped turnkey offering, including own technology solutions

Cluster target margin range* remains 15 – 20%

R5 574m order book	92% over-border
	8% SA

^ O+M = Operations & Maintenance Services
** 2-3 year guidance*
Note: detailed list of transport projects activities available in the appendix

Real Estate

	H1 F2016 Review	Looking forward
South Africa	▪ Grade A developments – Current portfolio performing well ▪ R43,8m FVA on investment property – Kleinbron (Northpoint) Industrial Park	▪ Good opportunities in Residential – expect implementation of 2 new projects in H2 F16 ▪ Working with housing business on joint development, investment and construction opportunities ▪ Final completion of St. Aidan's (residential) ▪ Progress development of Rosebank site (commercial & residential) ▪ Roll-out Northpoint (industrial)
Rest of Africa	▪ Preferred bidder on PPP in Uganda	▪ Robust pipeline across all sectors & regions ▪ Strong growth anticipated over medium term ▪ African property fund being structured

Cluster target margin range* remains 15 – 20%

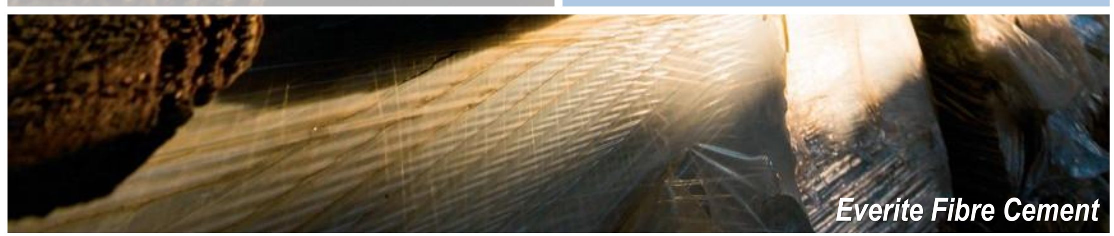
** 2-3 year guidance*

Note: detailed list of property projects available in the appendix

SECTION 04

SEGMENTAL REVIEW

Engineering & Construction	Investments & Concessions	Manufacturing
Building & Housing	*Transport*	***Fibre Cement***
Civil Engineering	*Real Estate*	***Steel***
Projects		
Energy		



Everite Fibre Cement

Manufacturing

H1 F2016 Review

- All markets flat to shrinking; import competition; substantial margin pressure
- Further growth in complementary traded products, efficiencies, new markets & significant cost reduction

Everite & ABT

- Fibre cement imports growth
- ABT public sector market still slow
- Board-approved investment to manufacture new complementary building materials product in SA

BRI

- Steel price has bottomed (small increases)
- Margin support from steel trading & new partners

Steel Pipe

- Almost zero order book – drive to minimise losses

Looking forward

Everite & ABT

- Commissioning new lightweight building material in Q1 F17
- Advancing raw material cost reduction project
- Securing order book for ABT in H2 F16

BRI

- All players taking strain; lowest cost producer advantage at BRI
- Seeking growth through additional partners

Steel Pipe

- Plant on care & maintenance
- Pro-active tendering to secure new orders

Cluster target margin range* remains 6 – 8%

** 2-3 year guidance*

SECTION 05

DMTN PROGRAMME

Medtronics building

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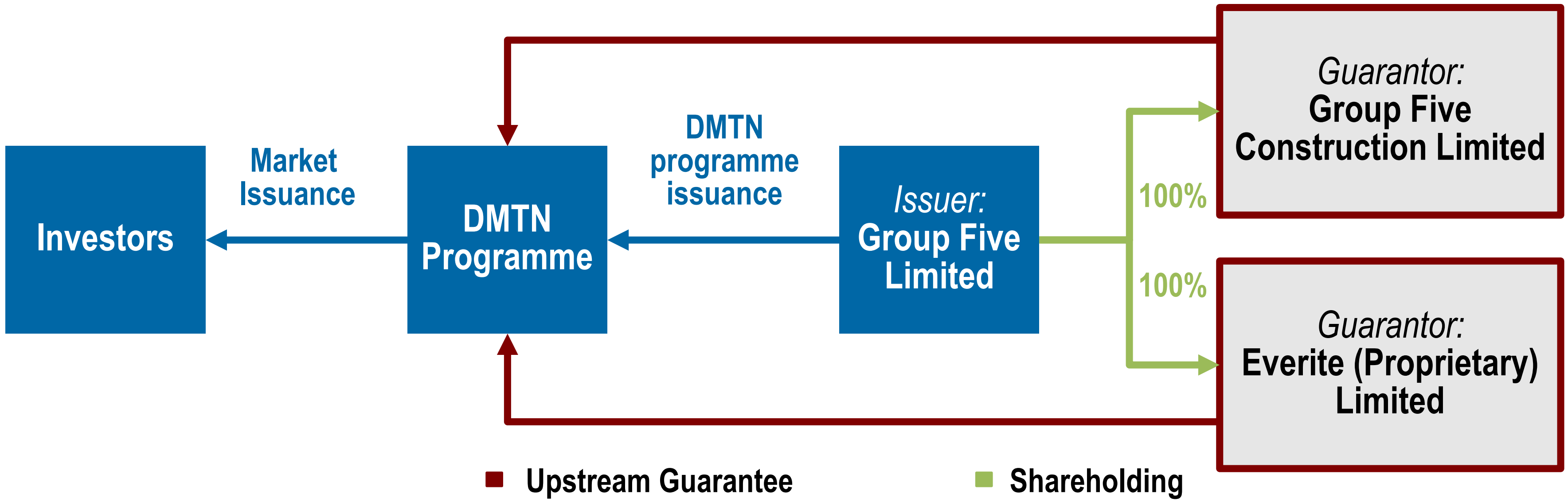
Structure of new DMTN programme

	Current DMTN programme	New DMTN programme
Issuer	Group Five Construction Limited	Group Five Limited
Programme size	ZAR1 Billion	ZAR1 Billion
Issuer rating	N/A	A-(za) Negative Outlook
Specified currency	ZAR	ZAR
Guarantor(s)	Group Five Limited	Group Five Construction Limited, Everite (Proprietary) Limited
Programme date	7 December 2006 (amended and restated on 13 September 2012)	[TBA]
Cross default level	Aggregate outstanding amount of at least ZAR100,000,000	Aggregate outstanding amount of at least ZAR100,000,000
Change of control event	Redemption within 60 days of a Rating downgrade to below investment grade or by more than one Rating Notch	Redemption within 60 days of a Rating downgrade to below investment grade or by more than one Rating Notch

Structure of new DMTN programme



Change in DMTN programme issuer

- Clearer structure when issuing out of a public entity
- Under Regulation 28 and Board Notice 90, portfolio limits apply to non-equity instruments.
  If an entity is unlisted such as Group Five Construction Limited, a portfolio limit of 5% is prescribed, while a listed entity such as Group Five Limited attracts a limit of 25%
- Under the new structure, the issuing entity is rated whereas under the previous structure, it was not

Current bond terms: GFC04

Issuer	Group Five Construction Limited
Issuer rating	N/A
Status of notes	Senior, Unsecured
Issue date	11 April 2012
Maturity date	11 April 2017
Issue size	R280m
Tenor	5-years
Interest nature	Fixed
Coupon	9.485% (original issue spread 210bps)
Current MTM	10.27% (R203 + 234bps)

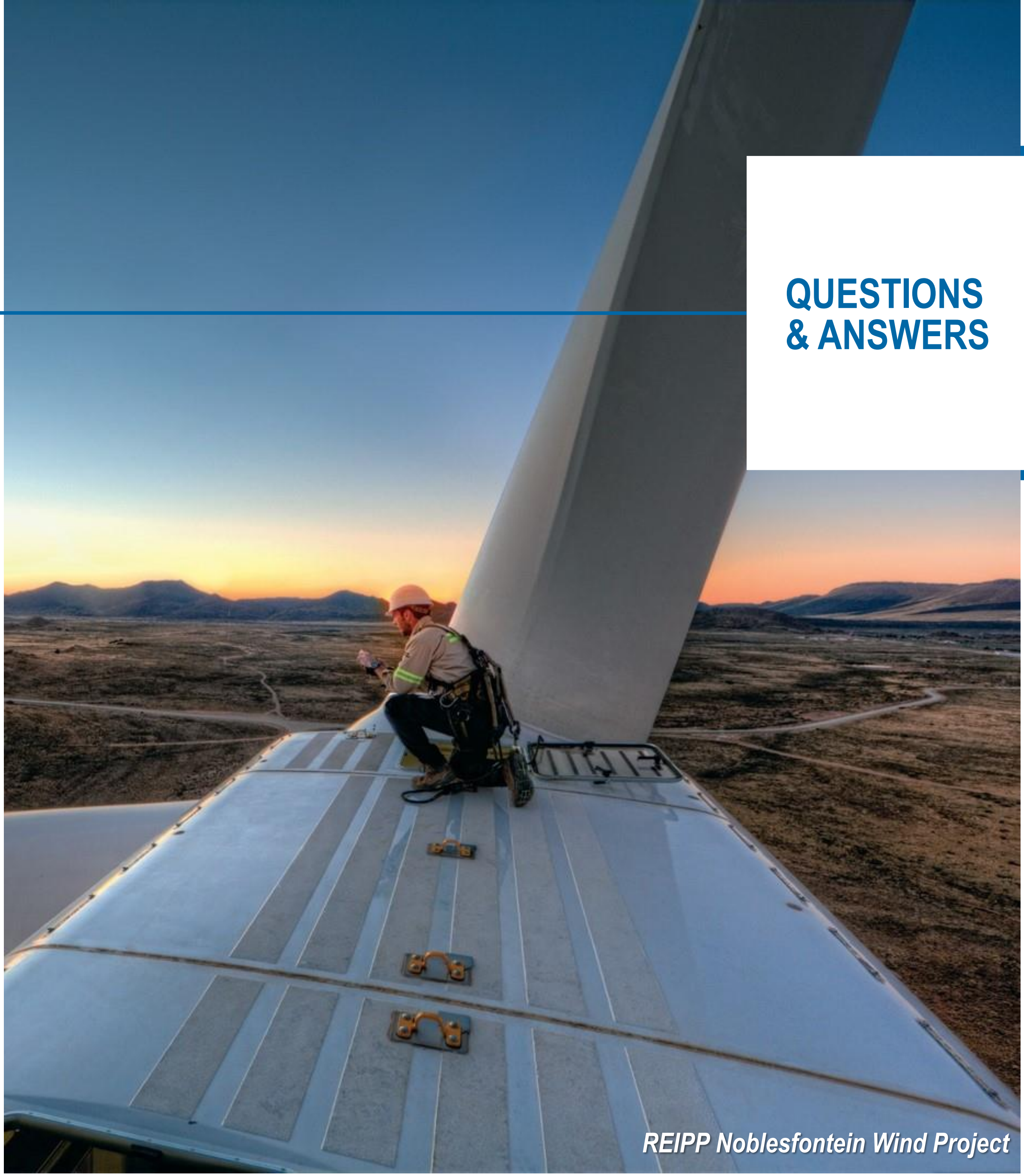
Indicative terms of proposed issuance

Issuer	Group Five Limited	
Arranger	Rand Merchant Bank (“RMB”)	
Issuer rating	A-(za), negative outlook	
Status of notes	Senior, Unsecured	
Auction date	6 – 15 June 2016	
Settlement date	9 - 18 June 2016 (T+3) Actual settlement date may vary depending on auction date	
Issue size	R250m plus volume achieved through switching of GFC04 bond	
Tenor	3-years	
Interest nature	Floating	
Pricing benchmark	3-month Jibar*	
Programme financial covenants	Leverage Ratio	2
	Interest Cover Ratio	4
	Gearing Ratio	35%
Contact	Delia Patterson +27 11 282 4162	
Auction methodology	Bookbuild	

** Jibar to be determined on the Auction Date*

Indicative timeline

Date	Process
11 and 13 May 2016	Investor Roadshow
16 May - 6 June 2016	Investor Credit Work
TBA	New DMTN Final JSE submission
29 May 2016	Termsheet released
6 - 15 June 2016	Private Placement
9 - 18 June 2016	Settlement, actual settlement date may vary depending on auction date



QUESTIONS & ANSWERS

GROUP FIVE structured ingenuity

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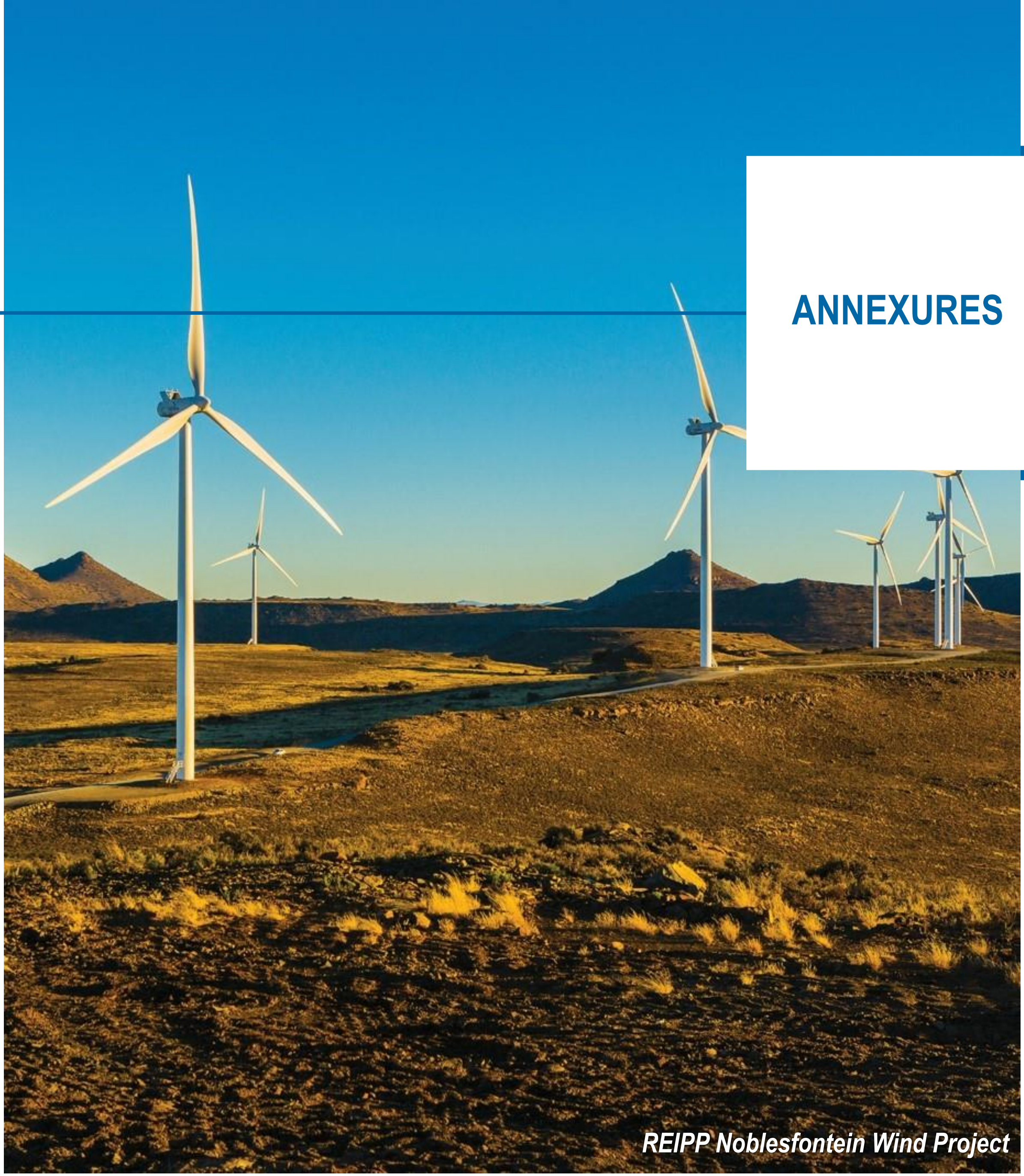
GROUP FIVE
structured ingenuity

SECTION 06

ANNEXURES



REIPP Noblesfontein Wind Project

GROUP FIVE
structured ingenuity

Investments & Concessions projects

Transport

Project	Geography	O+M	Contract type	Km	Group Five investment	End date
M5 Motorway	Hungary	Yes	Availability	156	No	2031
M6 Phase 1	Hungary	Yes	Availability	59	Yes 12,7%*	2026
M6 Phase 3	Hungary	Yes	Availability	80	Yes 10%	2037
A1 Phase I & II	Poland	Yes	Toll & availability	152	Yes 15%	2040
S8	Poland	Yes	Maintenance	84	No	2018
A2	Poland	Yes	Toll	49	No	2016
Westlink	Ireland	Yes**	Maintenance	60	No	2036
N1 South	SA	Yes	CTROM	397	No	2019
N2 North	SA	Yes	CTROM	138	No	2017
N4 West	SA	Yes	Toll	110	No	2019
Infralink	Zimbabwe	Yes	Toll	822	No	2022
Marianhill N3	SA	Yes***	Toll	26	No	2021

** Acquired in the period under review*

*** secured in the period under review*

**** secured post reporting date*

Investments & Concessions projects

Real Estate

Kalahari Mall	Retail	South Africa	Trading above expectation
Capital Place	Commercial	Ghana	100% let, trading well
North Point	Industrial	South Africa	Construction to commence Q4 F2016
Wierda Valley	Residential	South Africa	Launching April 2016
Angle on Oxford	Mixed use	South Africa	Marketing underway
Glen Acre	Residential	South Africa	Negotiating bulk offtake

Multi-year target opportunity pipeline*

	Total as at 31 December 2015: R131bn							June 2015	Pre-Tender and Tender^
	Rest of Africa split			Local split			Total		
By sector (Rbn)	Total	Private	Public	Total	Private	Public		Total	
Mining	3	3	-	6	6	-	9	37	2
Industrial	1	1	-	3	3	-	4	4	2
Power	30	30	-	16	14	2	46	30	5
Oil & Gas	8	7	1	-	-	-	8	30	7
Water	3	-	3	5	-	5	8	20	4
Building	-	-	-	18	15	3	18	9	14
Housing	1	1	-	4	2	2	5	1	3
Transport	18	6	12	15	1	14	33	94	13
Total	64	48	16	67	41	26	131	225	50
Pre-Tender & Tender^	13	13	-	37	16	21			50

- 49% = Rest of Africa opportunities
- 20% = SA public sector

- Outlook in favour of key growth sectors of power, and transport

14% of group awards during the year came from the pipeline presented in June 2015

** These are the projects targeted by the group – not to be confused with the Engineering & Construction contracting order book*

^ Value within the multi-year opportunity pipeline in pre-tender and tender stage

Foreign currency impact

Currency exposures

- Rest-of-Africa contracts mainly USD Dollar-designated: allows natural hedge via matching revenue and cost streams
- Eastern European investments Euro-denominated – conversion to reporting currency included within fair value adjustment on service concessions
- Focus on structuring contracts, including flow-of-funds, to minimise the impact of a weakening local currency and the risk of loss on conversion of currencies, & not being able to repatriate free cash
- Currency impacts on import of foreign raw materials within Manufacturing
- Depreciation of reporting currency impacted translation of foreign businesses – not included in earnings but in other comprehensive income

Rm	H1 F2016	F2015
Exchange difference arising from translation of foreign operations	332	131
Effects of exchange rates on cash and cash equivalents	325	83

Hedging strategies

- Contract specific approach
- Internal policy of hedging exposures
- Mainly required on local contracts with foreign cost components

Income statement

Rm	H1 F2016 vs H1 F2015 %	**H1 F2016 unaudited**	H1 F2015 unaudited*	H2 F2015 unaudited
Revenue	+5%	**7 265**	6 903	6 973
Operating profit and margin % ▪ *including fair value adjustments*	+41%	**289** ***4.0%***	206 *3.0%*	160 2.3%
Profit before interest and taxation	+33%	**299**	225	166
Finance (cost) / income – net		**(8)**	(4)	2
Profit before taxation	+32%	**291**	221	168
Effective tax rate %		**31%**	34%	20%
Net profit	+38%	**201**	146	134

** Restated for the application of IFRS 5 – Non-current assets held for sale and discontinued operations, as a result of the decision to transfer the remaining business within the discontinued cluster of Construction Materials into continuing operations within the Manufacturing cluster*

Cash flow

Rm	H1 F2016 unaudited	H1 F2015* unaudited	H2 F2015 unaudited
Operating cash	215	231	194
Working capital changes	98	89	30
Finance (cost)/income – (net)	(8)	(4)	2
Trade and other payables	(135)	(133)	134
Trade and other receivables	379	279	88
Contracts in progress	(157)	(73)	(171)
Inventories	11	16	(21)
Total change	98	89	30

Working capital

- Trade payables a reflection of a reduction in advance payments and settlement of liabilities
- Trade receivables a reflection of focus on client cash collections

Net finance costs

- In line with expectation

** Restated for the application of IFRS 5 – Non-current assets held for sale and discontinued operations, as a result of the decision to transfer the remaining business within the discontinued cluster of Construction Materials into continuing operations within the Manufacturing cluster*

Cash flow

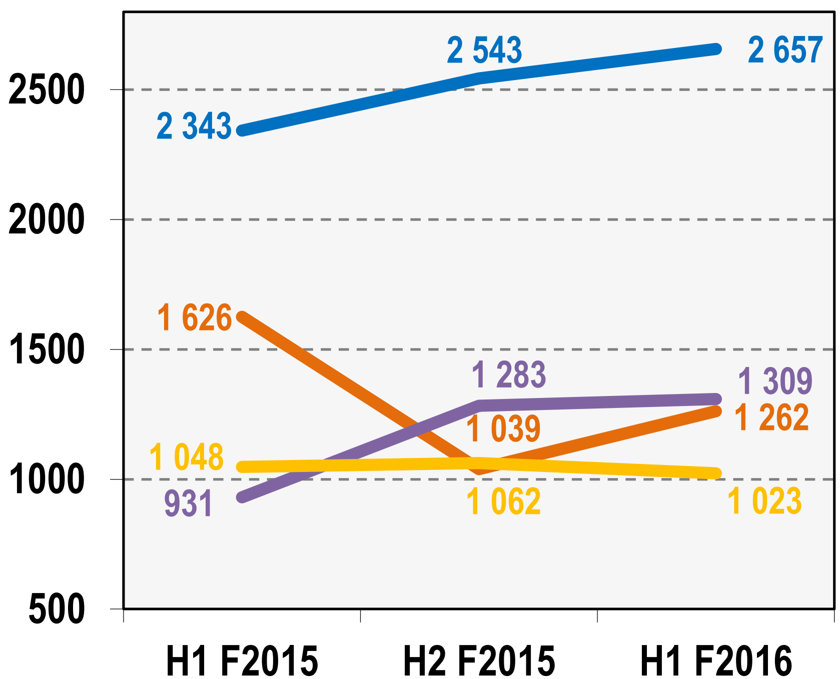
Rm	H1 F2016 unaudited	H1 F2015* unaudited	H2 F2015 unaudited
Operating cash	215	231	194
Working capital changes	98	89	30
Cash generated from operations	313	320	224
Finance (cost)/income – (net)	(8)	(4)	2
Tax and dividends paid	(140)	(182)	(122)
Net cash generated from operating activities	165	134	104
Net investing activities	(228)	83	(153)
Net financing activities	(59)	(51)	269
Effect of exchange rates on cash	325	48	35
Movement in cash	203	214	255
Cash and cash equivalents on hand – end of period	3 593	3 135	3 390

** Restated for the application of IFRS 5 – Non-current assets held for sale and discontinued operations, as a result of the decision to transfer the remaining business within the discontinued cluster of Construction Materials into continuing operations within the Manufacturing cluster*

Engineering & Construction

Total Revenue +5%*

Rm



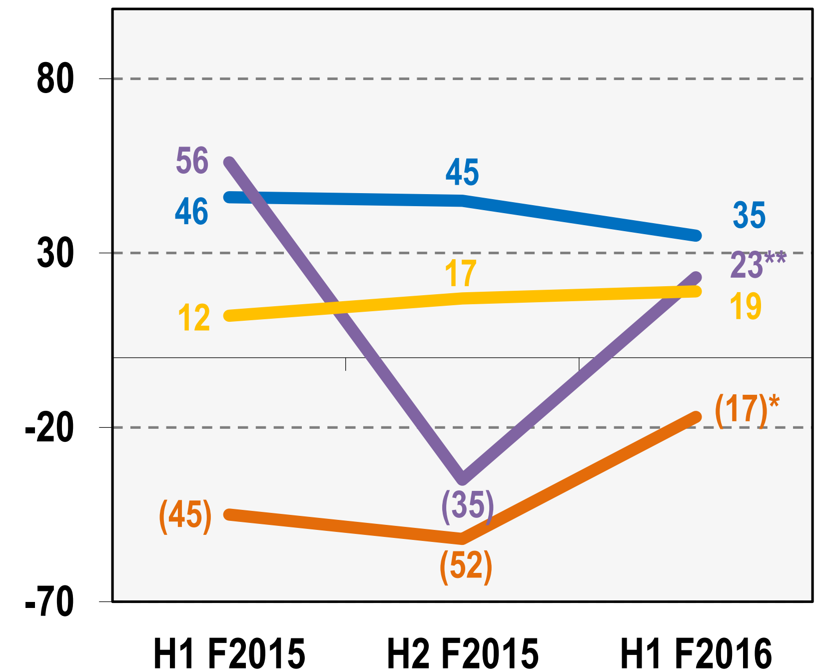
Rm	H1 F2015	H2 F2015	H1 F2016
Rm	5 948	5 927	6 251

Engineering & Construction total

Core Operating Profit -14%*

Rm

* H1 F2016 versus H1 F2015

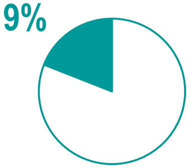


Rm	H1 F2015	H2 F2015	H1 F2016
Rm	69	(25)	60

Engineering & Construction total

Building & Housing | Civil Engineering | Projects | Energy

19%

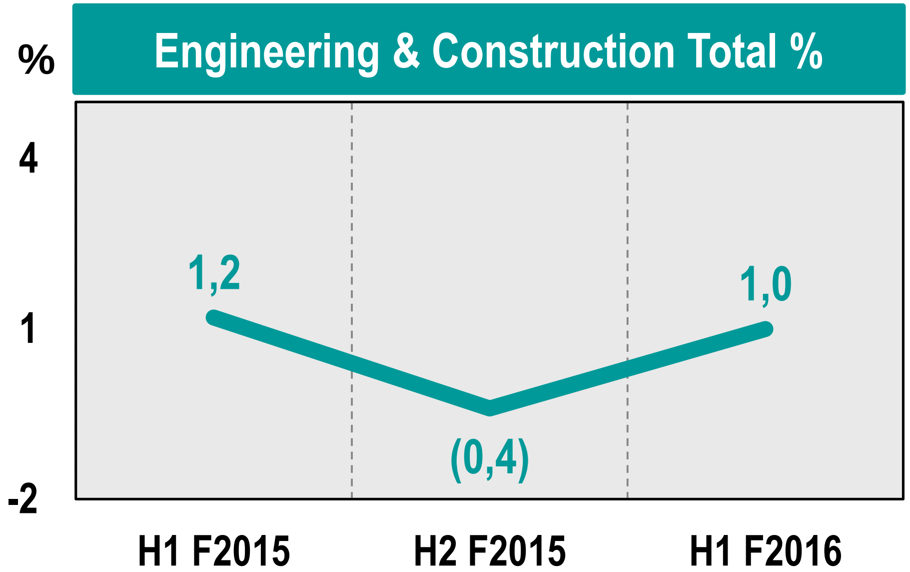


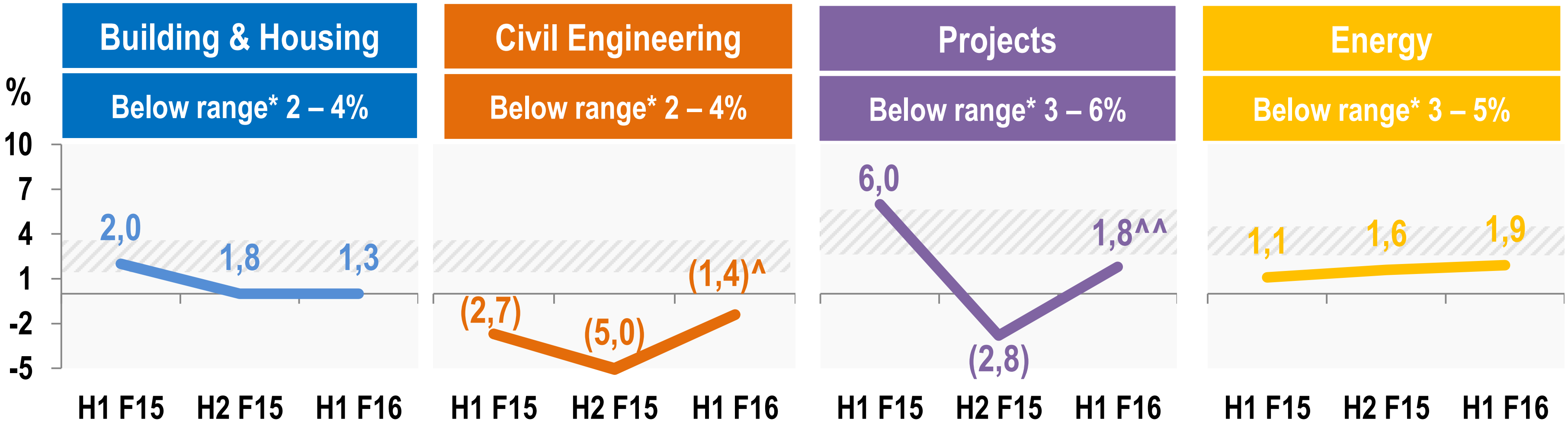
of H1 F2016 group core operating profit

*Includes profit on sale of fixed assets of * R16,0m and ** R14,1m*

Engineering & Construction

Core Operating Margins



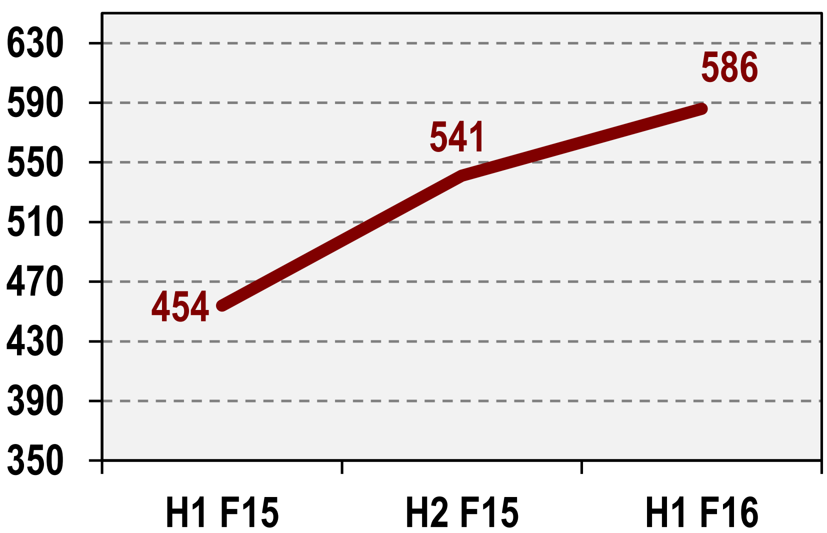


** Segment 2-3 year target margin range*

Profit on sale of fixed assets contributes ^1,3% and ^^1,1% to core operating margin

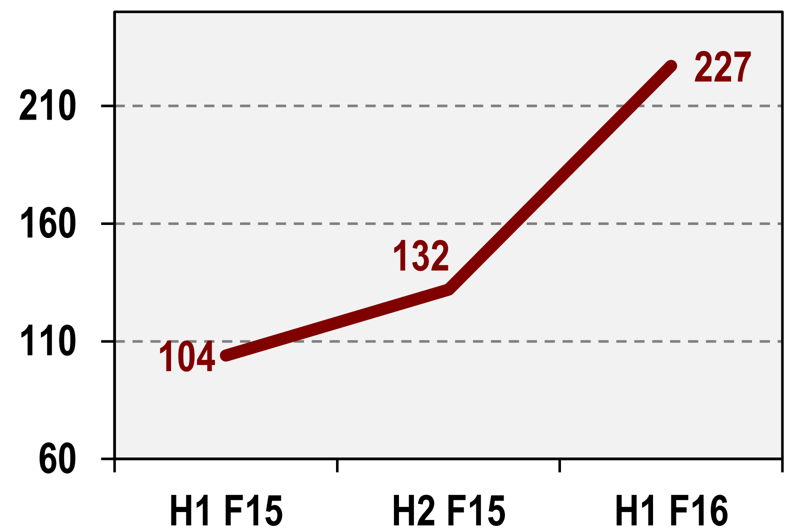
Investments & Concessions

Revenue +29%*



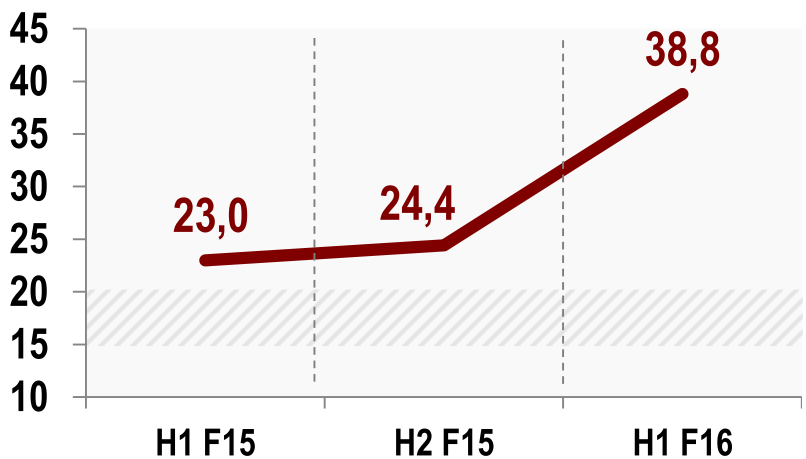
Core Operating Profit *(incl. FVAs^)* + 118%*

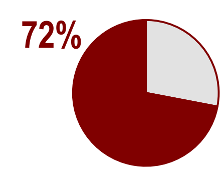
* H1 F2016 versus H1 F2015



Core Operating Margin % – above cluster medium term target range

Target range 15 – 20%



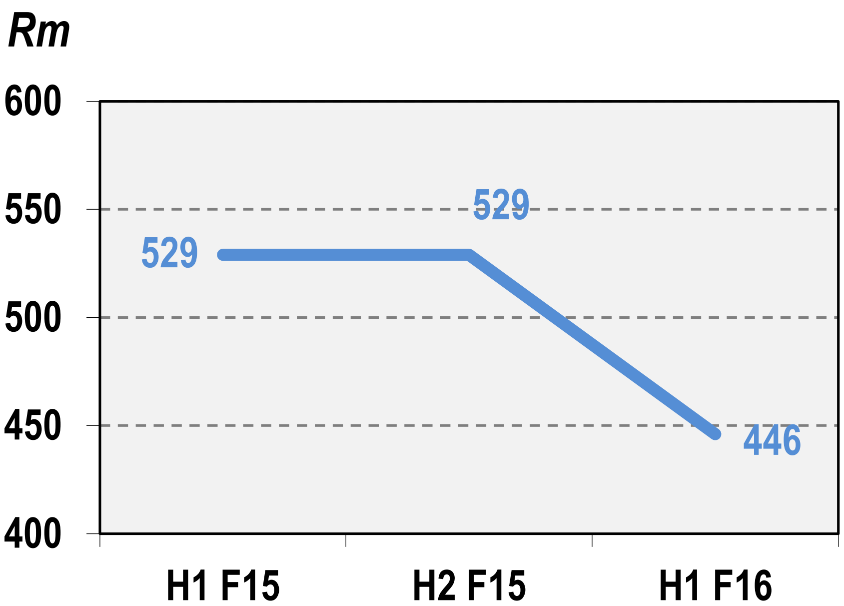


of H1 F2016 group core operating profit

^ *FVA = Fair Value Adjustments - Refer AFS for detail of basis of valuation*

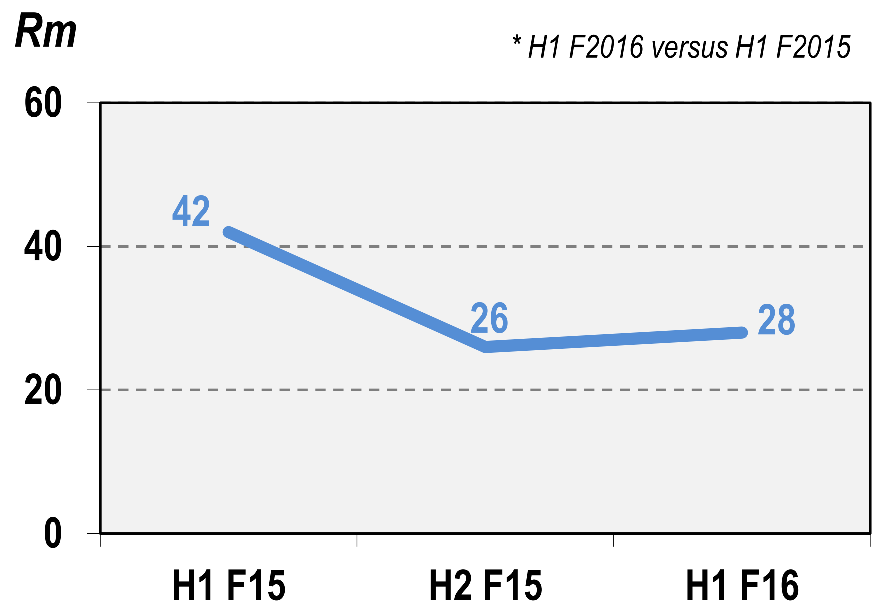
Manufacturing

Revenue –16%*

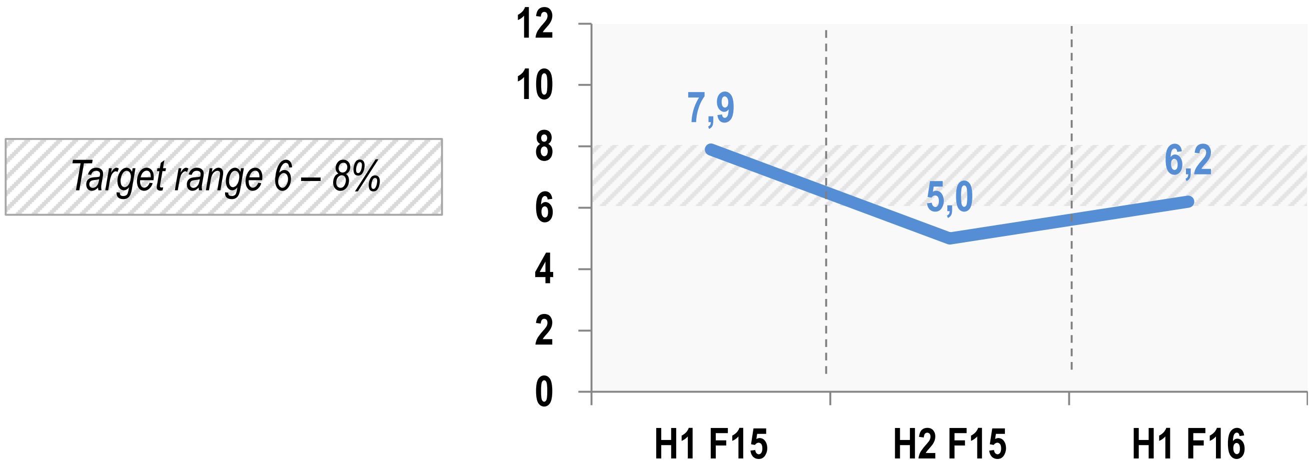


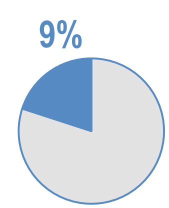
Core Operating Profit - 33%*

* H1 F2016 versus H1 F2015



Core Operating Margin % – within cluster medium term target range





of H1 F2016 group core operating profit