



AUDITED GROUP RESULTS
For the year ended 30 June 2007

Group Five Exco

Mike Upton: CEO

29 years in Engineering Construction



Experienced Exco with a solid track record

John Wallace

Manufacturing
Experience in manufacturing &
developing business strategy

Eric Vemer

Service Concessions
8 years in financial markets
& 3 years in concessions

Paul Le Sueur

Construction: Buildings
26 years experience
in construction

Andrew McJannet

Construction: Civils
20 years in construction

Guy Mottram

Group Risk Officer
Focus area is risk management
including legal, commercial, SHEQ

Tim Woodhead

Materials
Experience in quarrying, crushing
and readymix concrete supply

Cristina Teixeira

Group Financial Manager
Focus area is Finance, Treasury,
Investor & Media Relations Strategy

Supported by a 15 person Manco

Agenda



Highlights



Financial review



Business review



Prospects



Highlights

Group Five Strategic Positioning

A balanced sector portfolio

Investments & Concessions

Expansion into new concession equity and revenue streams, eg. power, infrastructure projects, etc

INVESTMENT

Manufacturing & Materials

Adding repeat income streams aligned to the construction value chain

AQUISITIVE

Construction

Focusing on the upper end of the value chain from Constructor to Project Leader

ORGANIC

Geographic focus in selected territories



Highlights

Delivery on strategy

- Progress towards balanced portfolio
 - Successful acquisition of Quarry Cats
 - Sky Sands approved by Competition Commission (Post year end)
- Construction margin enhanced
 - Shift in business mix towards Civil Engineering

Successful issuing of DMTN bonds of R850 million

Commissioning of S7 plant at Everite at year-end which will contribute additional 20% – 25% capacity



Financial Highlights

	2006 Original vs. 2007	2007 Audited	2006 Audited Restated*	2006 Audited Original	2005 Audited
Revenue – Rm	↑ 31%	7 689	5 865	5 865	4 508
Operating profit – Rm	↑ 63%	392	241	241	116
Earnings per share – Rand	↑ 49%	2,91	0,72	1,95	1,82
Headline earnings per share – Rand	↑ 47%	2,83	0,69	1,93	1,43
Dividends per share – cents	↑ 29%	72	56	56	49
Shares in issue net of trusts – millions	↑ 25%	92,4	73,9	73,9	71,9

* F2006 results have been restated with the adoption of IFRIC 8 for information only



Financial review

Key performance indicators

Liquidity and cash resources

Income statement

<i>Rm</i>	<i>2007 Audited</i>	<i>2006 Audited Restated *</i>	<i>2006 Audited Original</i>	<i>2005 Audited</i>
Revenue	7 689	5 865	5 865	4 508
Operating margin %	5,1%	4,1%	4,1%	2,6%
Operating profit	392	241	241	116
Other income /(expenses) – net	23	(70)	22	44
Profit before interest and taxation	415	171	262	160
Finance costs	(42)	(30)	(30)	(26)
Profit before taxation	373	141	232	134
Effective tax rate	35%	45%	27%	20%
Profit from continuing operations	244	78	169	108
(Loss) / profit from discontinued operations	(1)	(21)	(21)	22
Net income	243	57	148	130



Key financial ratios at Group Five

	2007 Audited	2006 Audited Restated	2006 Audited Original	2005 Audited	Targets
Dividend Cover	4,0	1,3	3,5	3,7	4,0
Operating profit margin %	5,1	4,1	4,1	2,6	5,0
Net gearing – debt to equity ratio %	36,9	-	-	2,5	33
Capital expenditure (Rm)	374	263	266	202	n/a
Interest cover	9,9	5,6	8,6	6,2	n/a
Cash generated (Rm)	60	391	391	111	cash =profit
Cash on hand at year end (Rm)	629	569	569	178	n/a
External guarantees available (Rm)	3 006	1 410	1 410	1 028	n/a
Return on shareholders interest %	15%	11%	25%	26%	25%
Secured 12 month order book (Rm)	4 833	4 653	4 653	4 000	67% of budget
Revenue over border %	42%	37%	37%	31%	33%

Dilution analysis

<i>Weighted average number of shares</i>	<i>2007 Audited</i>	<i>2006 Audited</i>	<i>2005 Audited</i>
Basic weighted average number of shares	80 672	73 496	70 496
Dilution in terms of employee share schemes*	4 234	834	2 509
Dilution in terms of external BEE ownership scheme**	13 150	6 573	-
Fully diluted weighted average number of shares	98 056	80 903	73 005

* Avg. share price F2007 = R45.11 vs. avg. exercise price = R6.95 to R27.91

** Avg. share price F2007 = R45.11 vs. avg. exercise price = R17.45





Financial review

Key performance indicators

Liquidity and cash resources

Cash flow

<i>Rm</i>	<i>2007 Audited</i>	<i>2006 Audited</i>	<i>2005 Audited</i>
Operating cash	487	307	141
Working capital changes	(389)	294	121

Largely anticipated movement in working capital requirements due to:

-  Move from private building projects to civils which means
 - More own work and less subcontracted
 - Change in payment terms
-  Funding growth in Manufacturing & Construction Materials



Cash flow

<i>Rm</i>	<i>2007 Audited</i>	<i>2006 Audited</i>	<i>2005 Audited</i>
Operating cash	487	307	141
Working capital changes	(389)	294	121
Cash from operations	98	601	262
Finance costs	(42)	(30)	(26)
Tax and dividends paid	(162)	(194)	(97)
Net cash from operating activities	(106)	377	139
Fixed assets – (net)	(112)	21	(17)
Investments and financing – (net)	252	94	(31)
Cash generated from / (utilised in) discontinued operations	26	(101)	20
Increase in cash	60	391	11
Cash and cash equivalents on hand – end of year	629	569	178



Capital expenditure

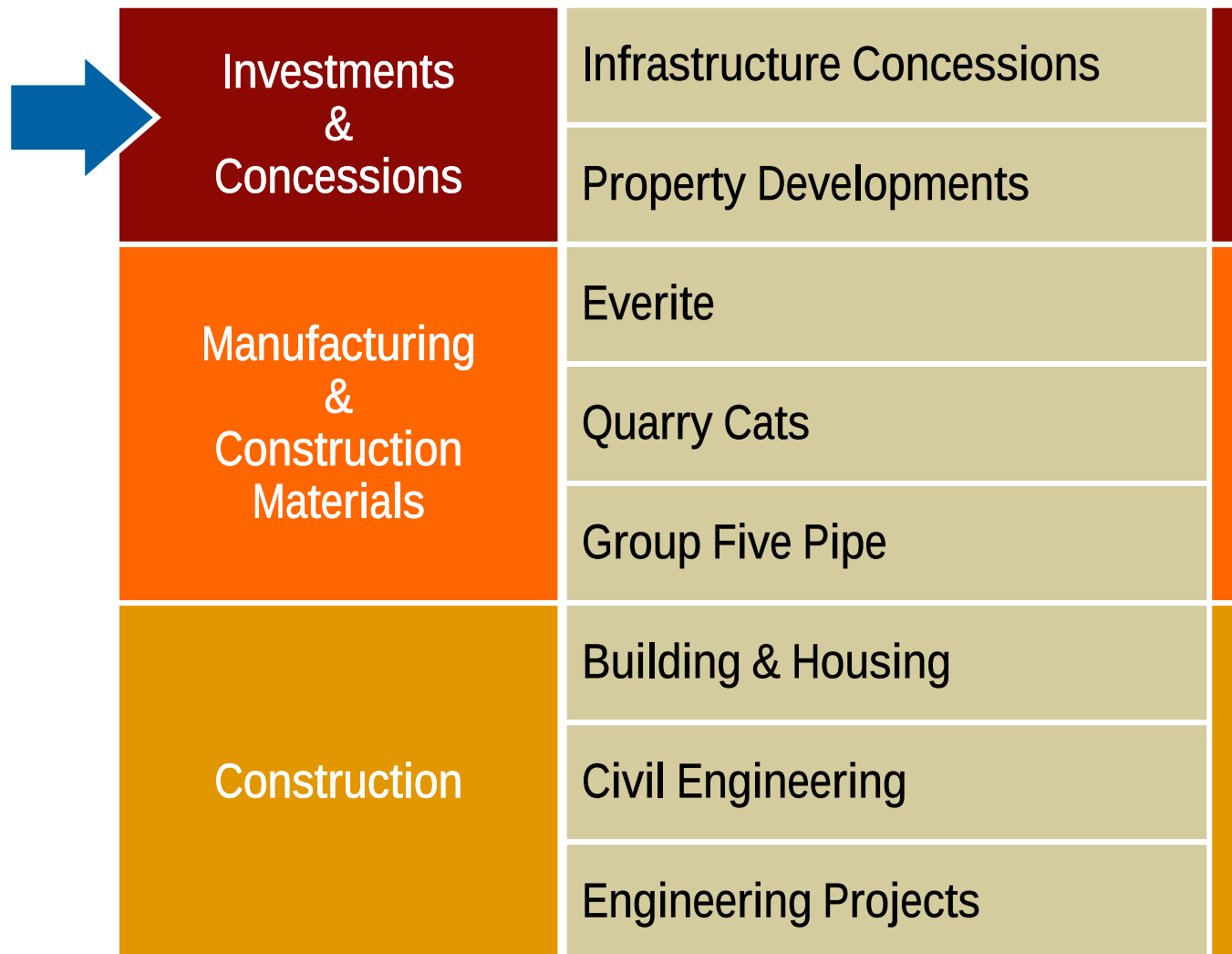
<i>R'000</i>	<i>2008 Budget</i>	<i>2007 Audited</i>	<i>2006 Audited</i>	<i>2005 Audited</i>
Manufacturing and Construction Materials				
Expansion	34 000	60 498	-	-
Maintenance	73 104	36 091	27 026	20 723
Mobile plant and equipment				
Expansion	40 000	56 938	61 768	-
Maintenance	60 000	84 907	41 178	87 077
Middle East				
Expansion	6 962	7 681	33 282	6 753
Replacement	4 642	5 121	-	-
Information Technology	15 000	32 680	35 200	24 934
Other	877	90 298	67 539	62 013
TOTAL	234 585	374 214	265 993	201 500





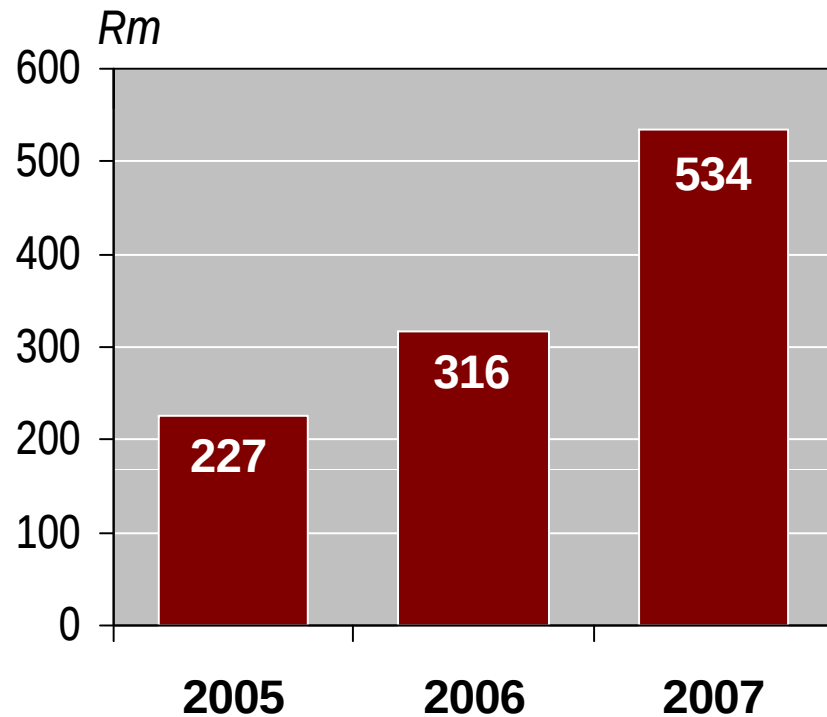
Business review

The Group structure

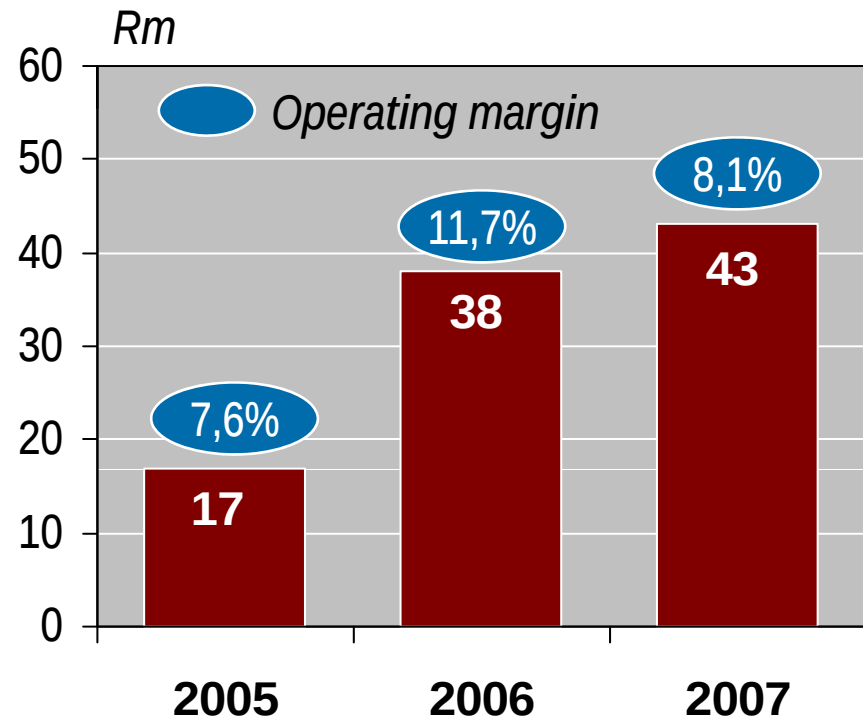


Investments and Concessions

Revenue  69%*



Operating Profit  15%*



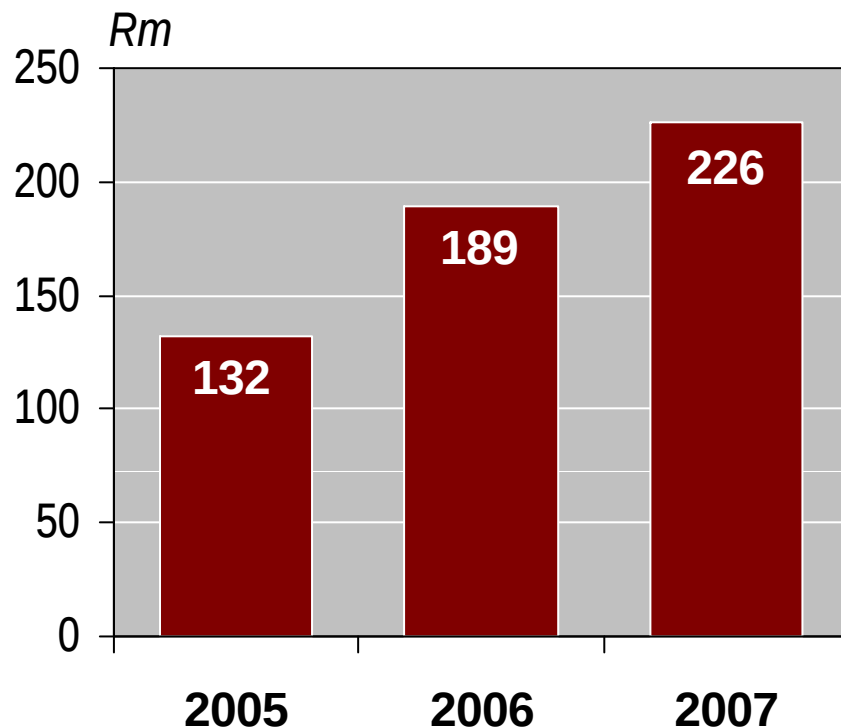
Investments
&
Concessions

 GROUP FIVE

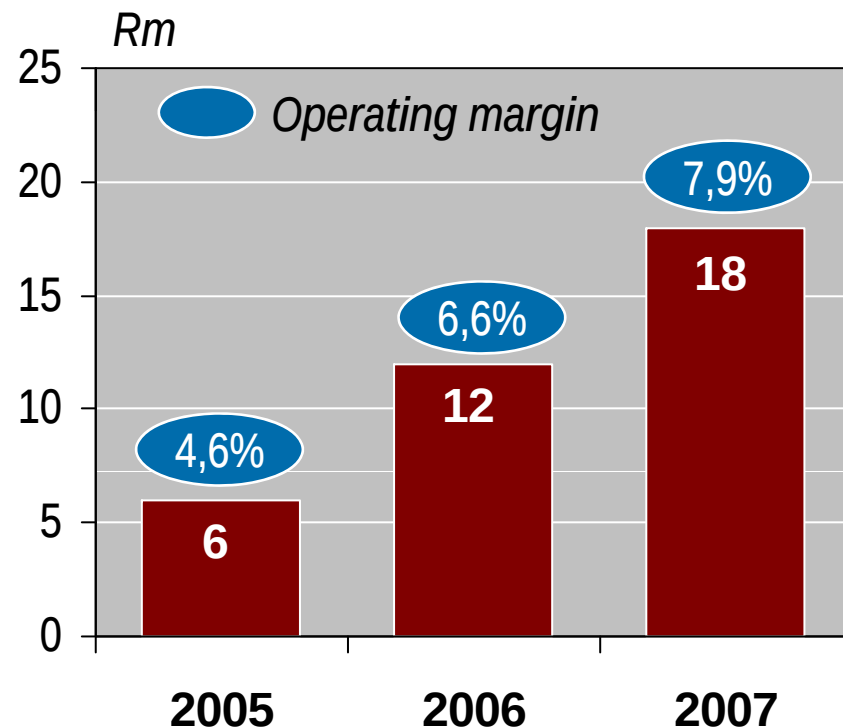
* 2007 versus 2006

Infrastructure Concessions

Revenue  19%*



Operating Profit  45%*



Excluding Fair Value Adjustments



Infrastructure
Concessions

* 2007 versus 2006

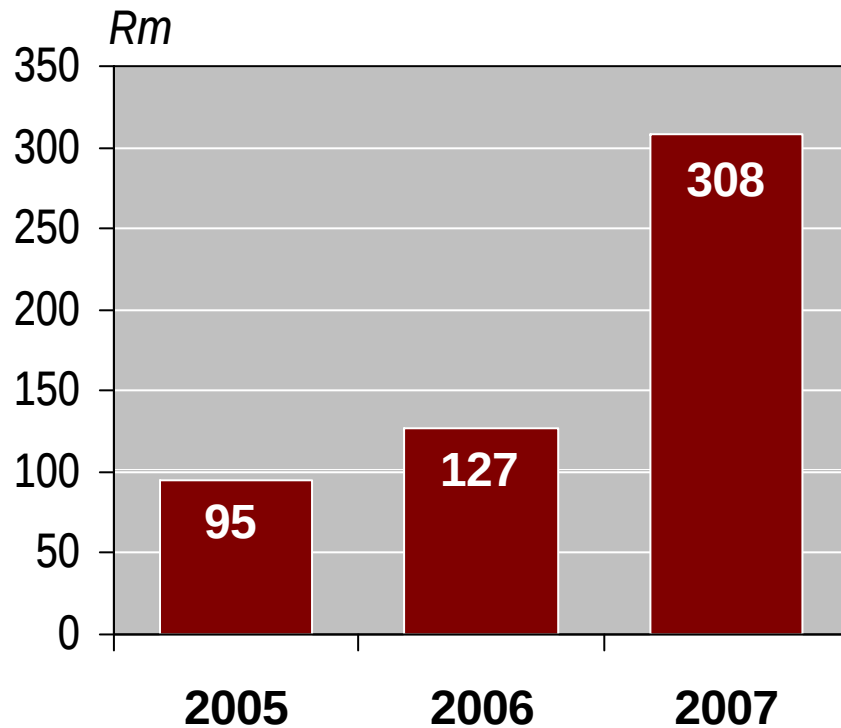
Infrastructure Concessions

Performance:

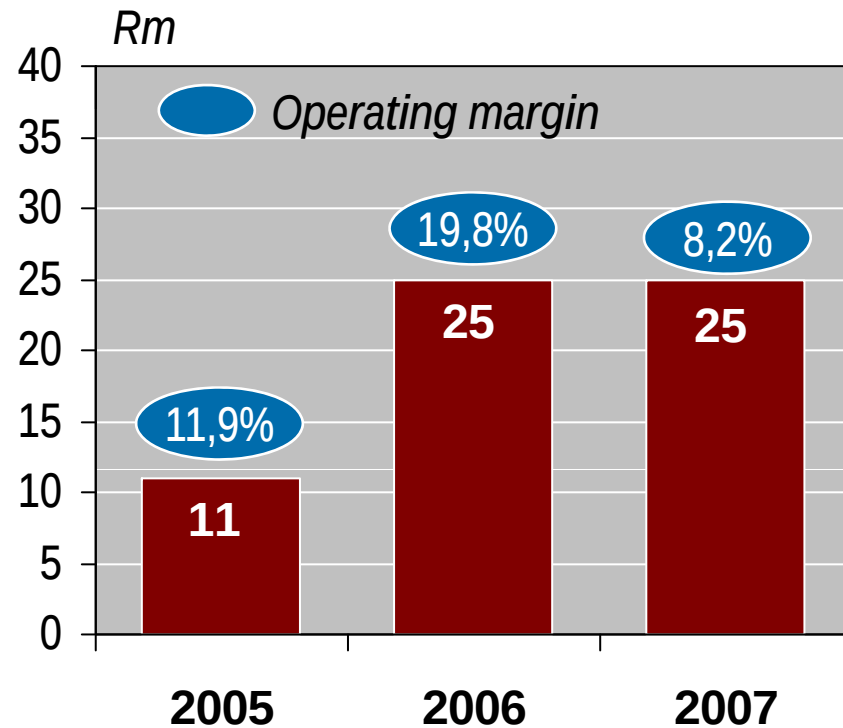
-  Results now reflect the results of Intertoll only
 - Costs incurred in pursuit of mega projects for the benefit of the wider group are now allocated to group overhead
-  Revenue increased in line with budget by 19,4% due primarily to the unfolding of activities in Hungary and Poland
-  The operating profit margin % increased to 7,9% (2006: 6,6%) due to the increased contribution from Hungary and Poland
-  Outside of operating profits a R14,2 million (2006: R1,4million) fair value increase was recorded on the Eastern European concession investments

Property Developments

Revenue  142%*



Operating Profit 



Excluding Fair Value Adjustments



Property
Developments

* 2007 versus 2006

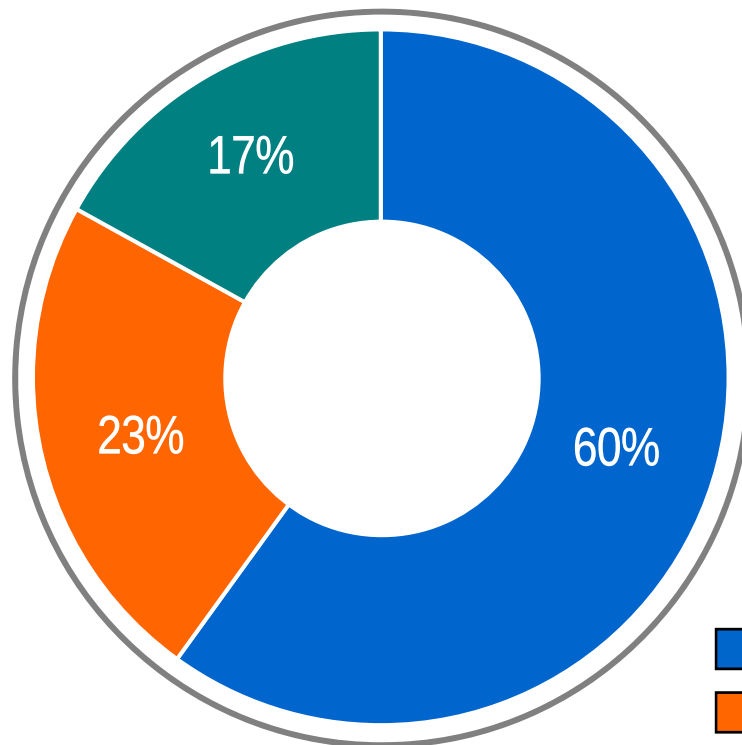
Property Developments

Performance:

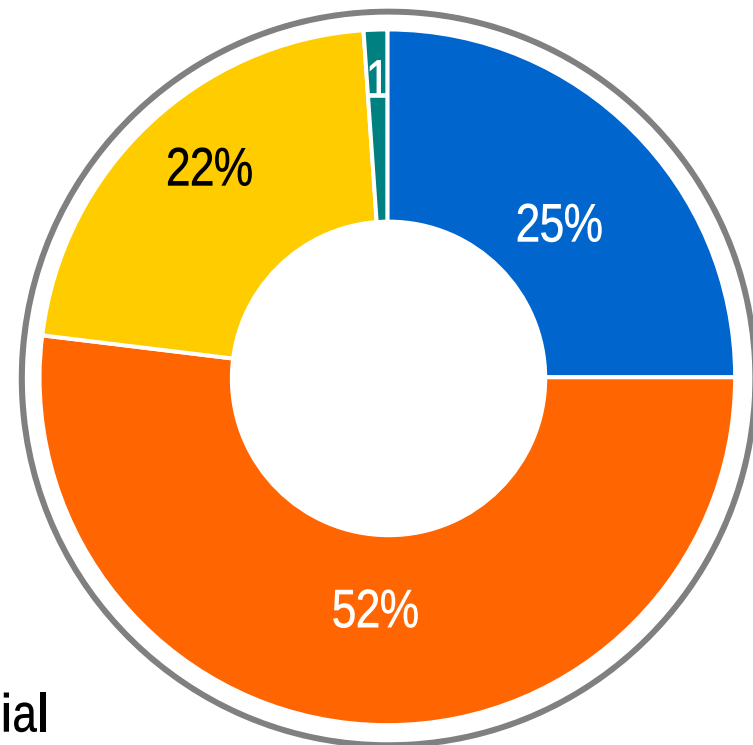
- Revenue doubled in line with capacity and expectations
- Operating profit was in line with expectations as F2006 was positively affected by the profits of a once off redevelopment of one of Everite's previous factories
- In addition, outside of operating profits, a fair value increase of R9,4million (2006: R26,5million) was recorded in investment properties
- The group is currently evaluating a repositioning of its property development portfolio

Property Developments

Operating Profit 2006

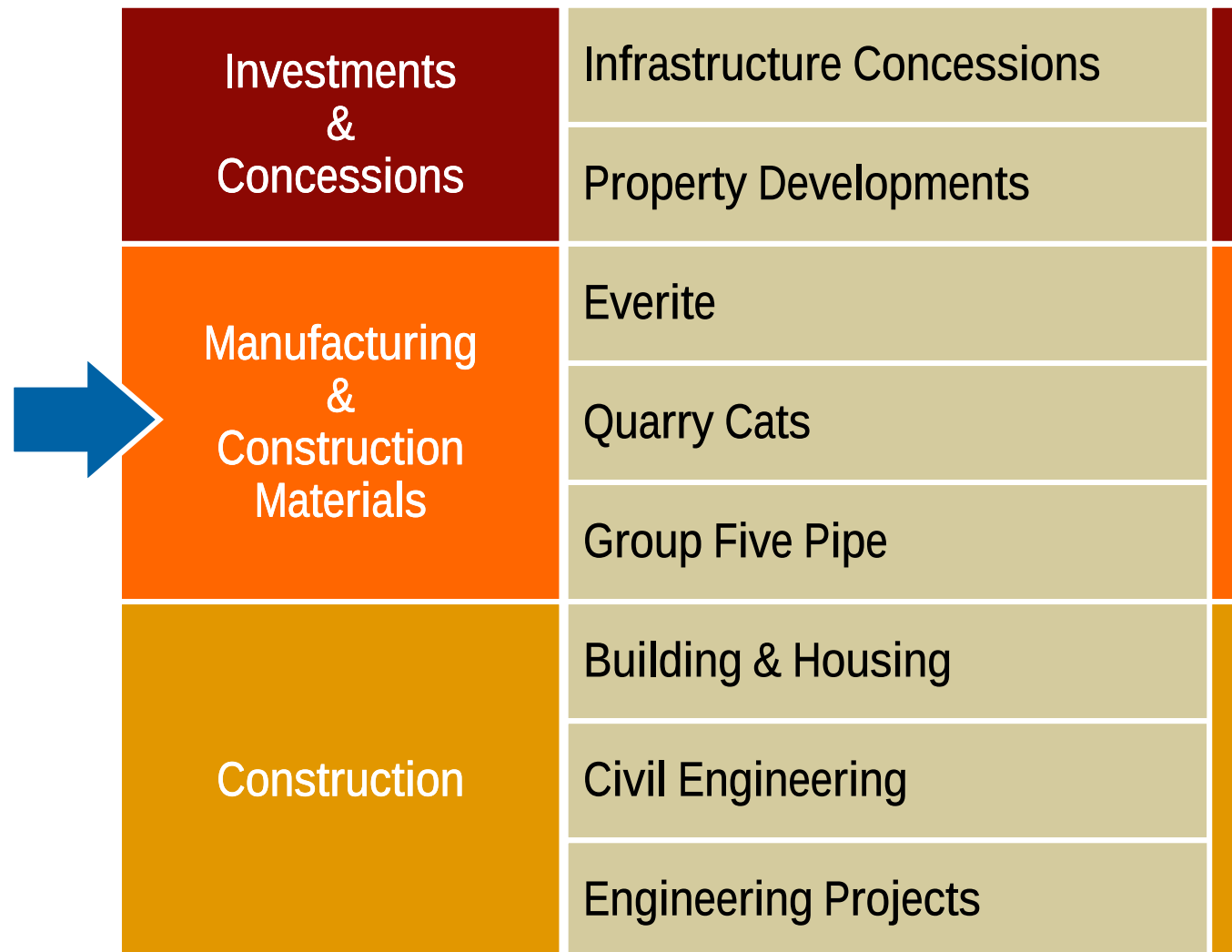


Operating Profit 2007



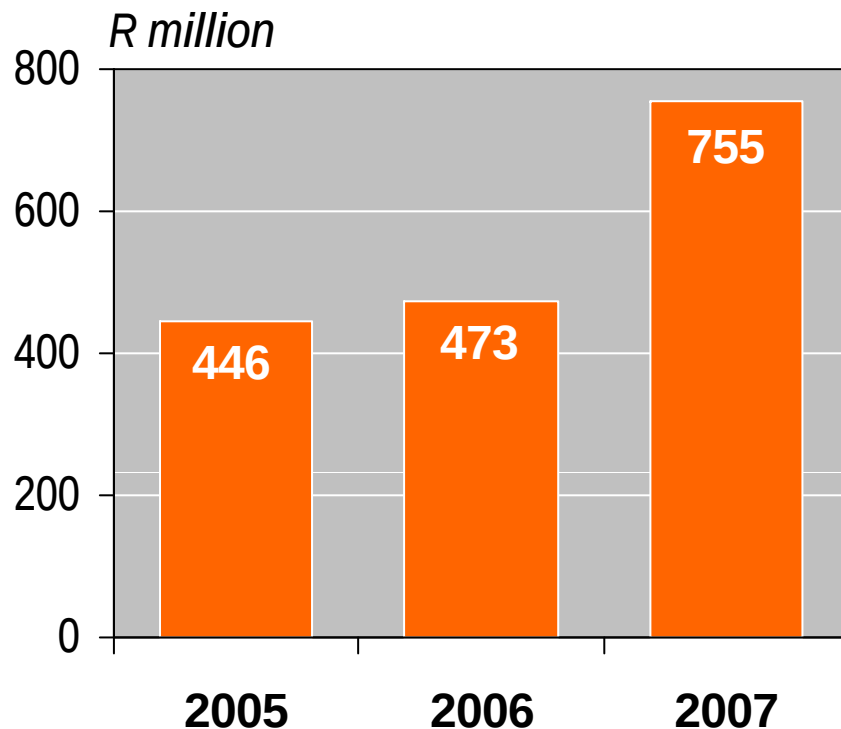
- Industrial
- Commercial
- Residential
- Investment

The Group structure

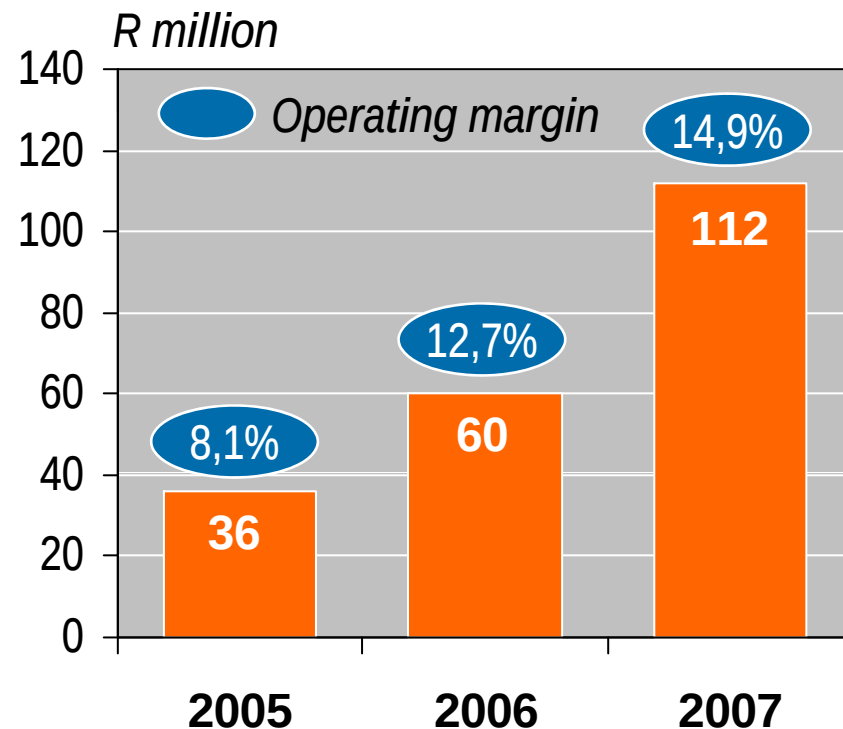


Manufacturing and Construction Materials

Revenue  60%*



Operating Profit  86%*



Manufacturing
&
Construction
Materials

 GROUP FIVE

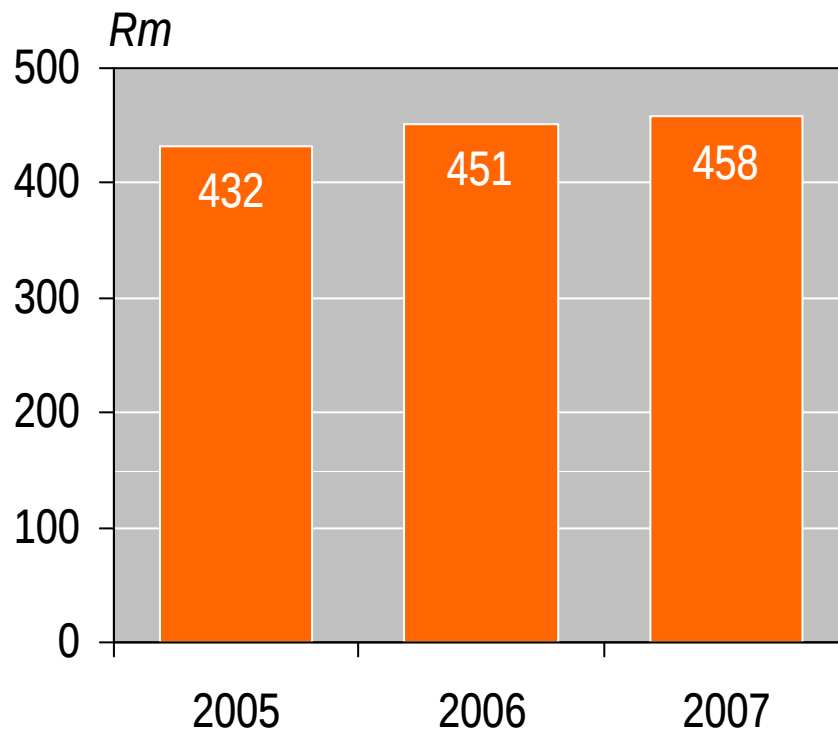
* 2007 versus 2006

Manufacturing and Construction Materials

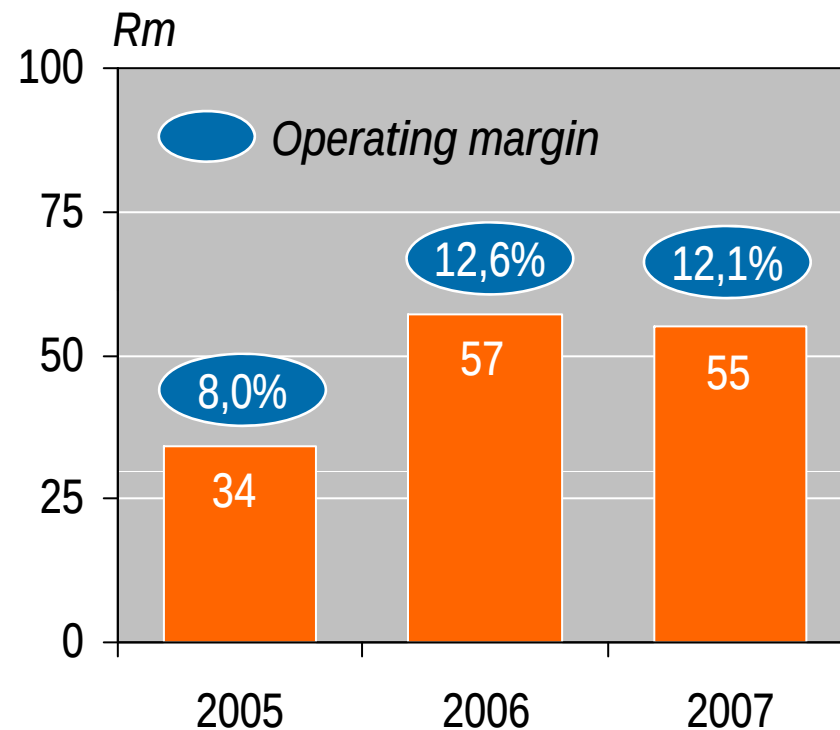
Performance:

-  First-time contribution from Quarry Cats with effect from 1 February 2007 (5 months)
 - This acquisition complements the group's stated strategy of balancing its portfolio in the infrastructure sector
-  The group will continue to review its current businesses as well as other opportunities

Revenue  2%*



Operating Profit  3%



Manufacturing
&
Construction
Materials

* 2007 versus 2006

 GROUP FIVE

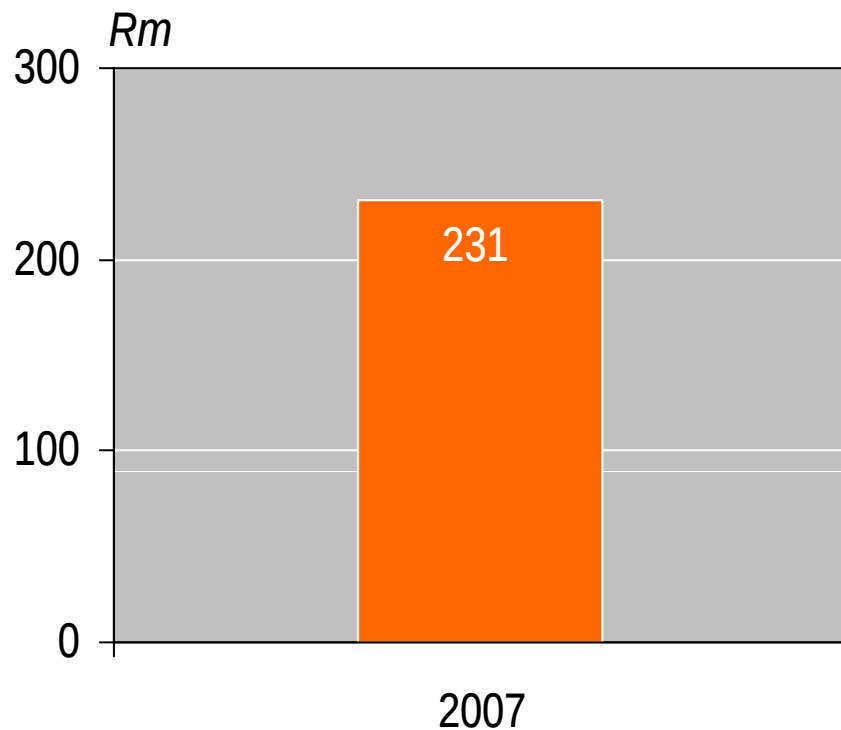
Performance:

-  Continued to operate at full capacity with new plant installed at end of year which will increase output by 20% – 25% over the next few years
-  Revenues in line with the prior year due to volume limits and price pressures
-  Operating profit margin maintained around 12,1% (2006: 12,6%) through continued improvements in efficiencies

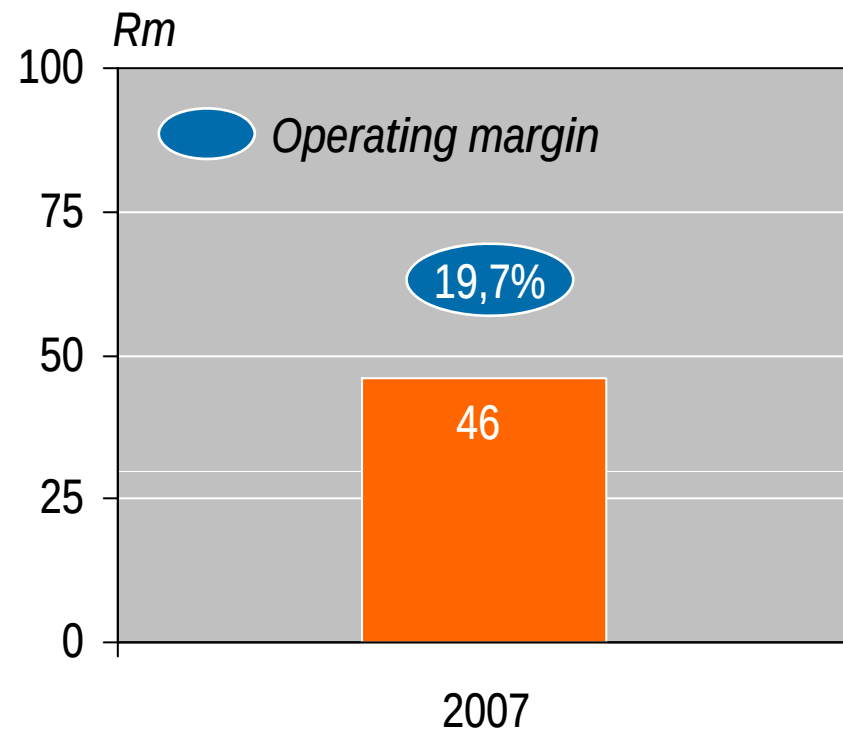
Quarry Cats



Revenue*



Operating Profit*



Manufacturing
&
Construction
Materials

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* From 1 February 2007

Quarry Cats



Performance:

 Quarry Cats is a sand and stone supply, contract crushing and ready mix supply business which was acquired with effect from 1 February 2007

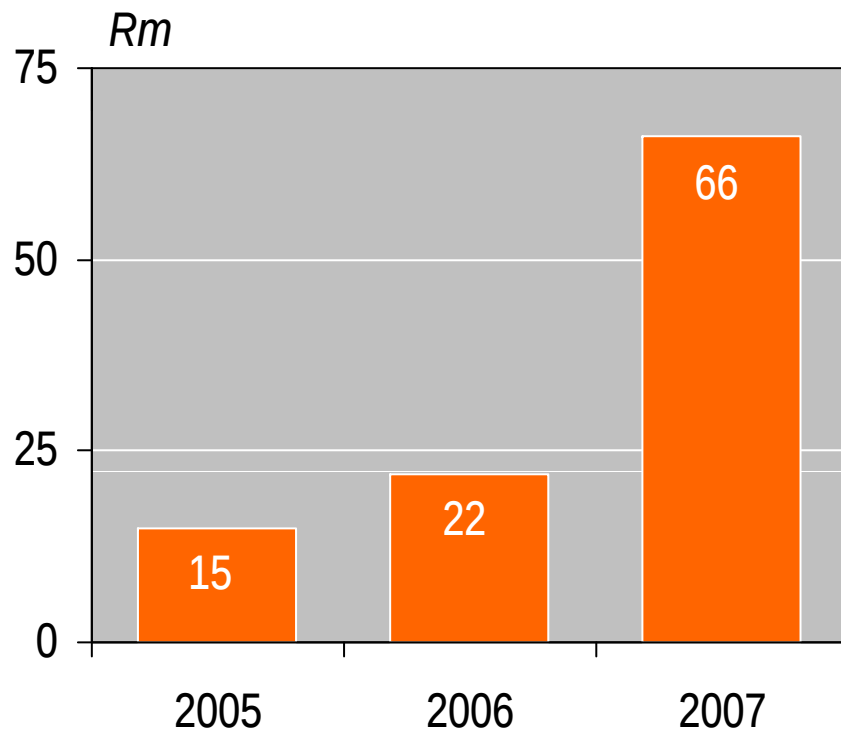
 Acquisition rationale:

- it is margin enhancing – location, scale, reserves
- complements the groups expansion
- growth strategy and mitigates the risk of future materials shortages in Gauteng

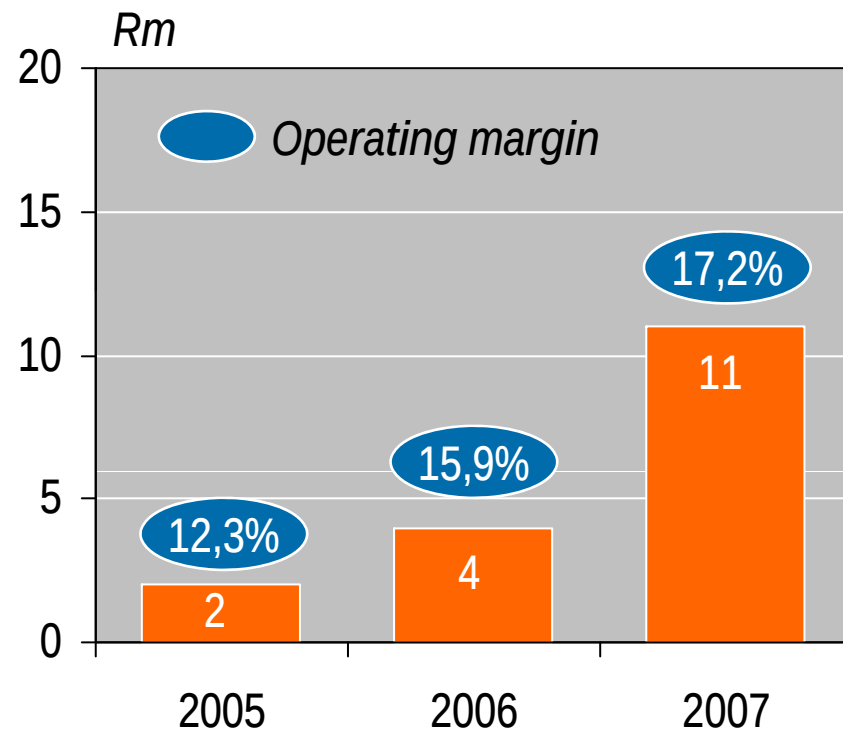
 Quarry Cats performance since acquisition was ahead of expectations and achieved an impressive operating profit margin of almost 20%

Group Five Pipe

Revenue  196%*



Operating Profit  219%*



Manufacturing
&
Construction
Materials

 GROUP FIVE

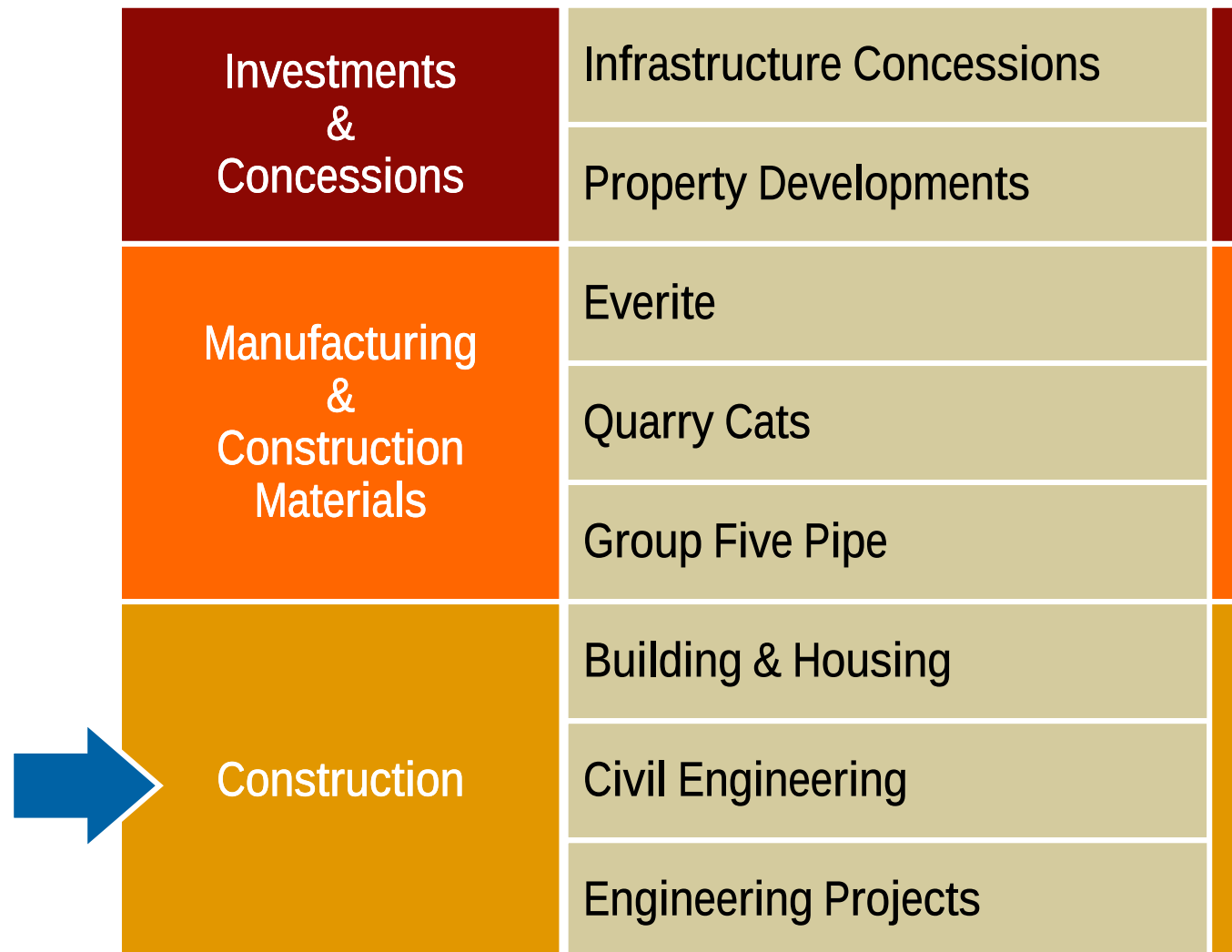
* 2007 versus 2006

Group Five Pipe

Performance:

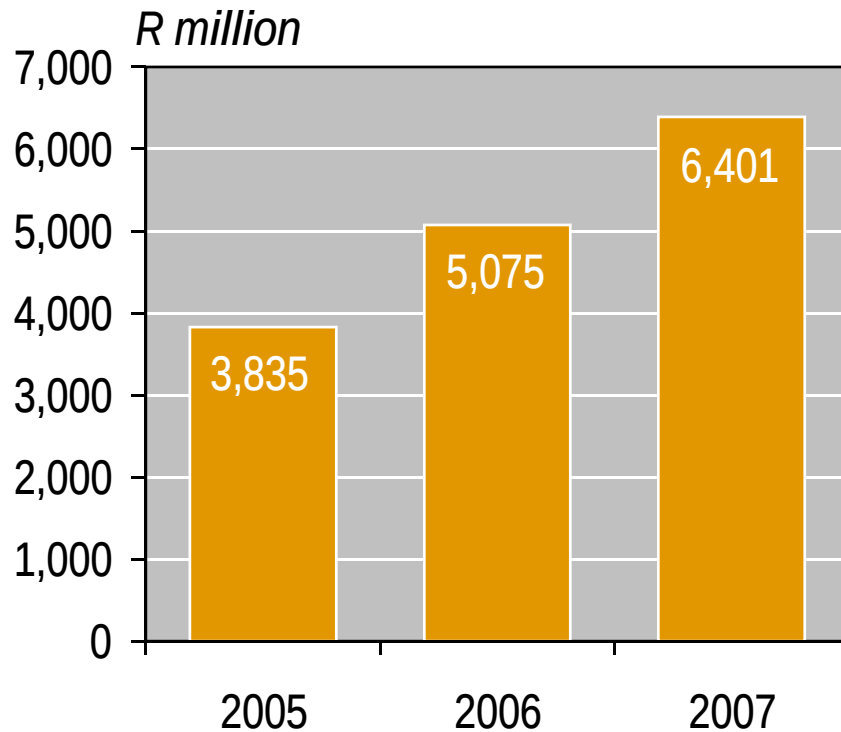
-  The full value of the VRESAP pipeline project has now flowed through the group's joint venture
-  Revenues and operating profits almost trebled in the current year
-  Further work is being actively pursued in large scale projects in energy and water
-  A limited current forward order book has been secured

The Group structure

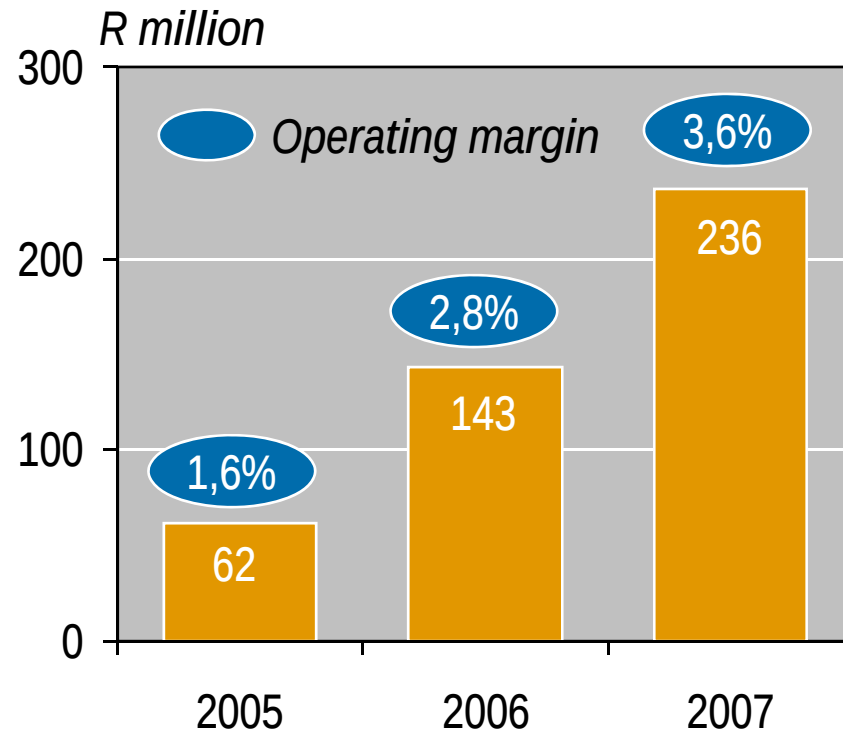


Construction

Revenue ↑ 26%*



Operating Profit ↑ 65%*



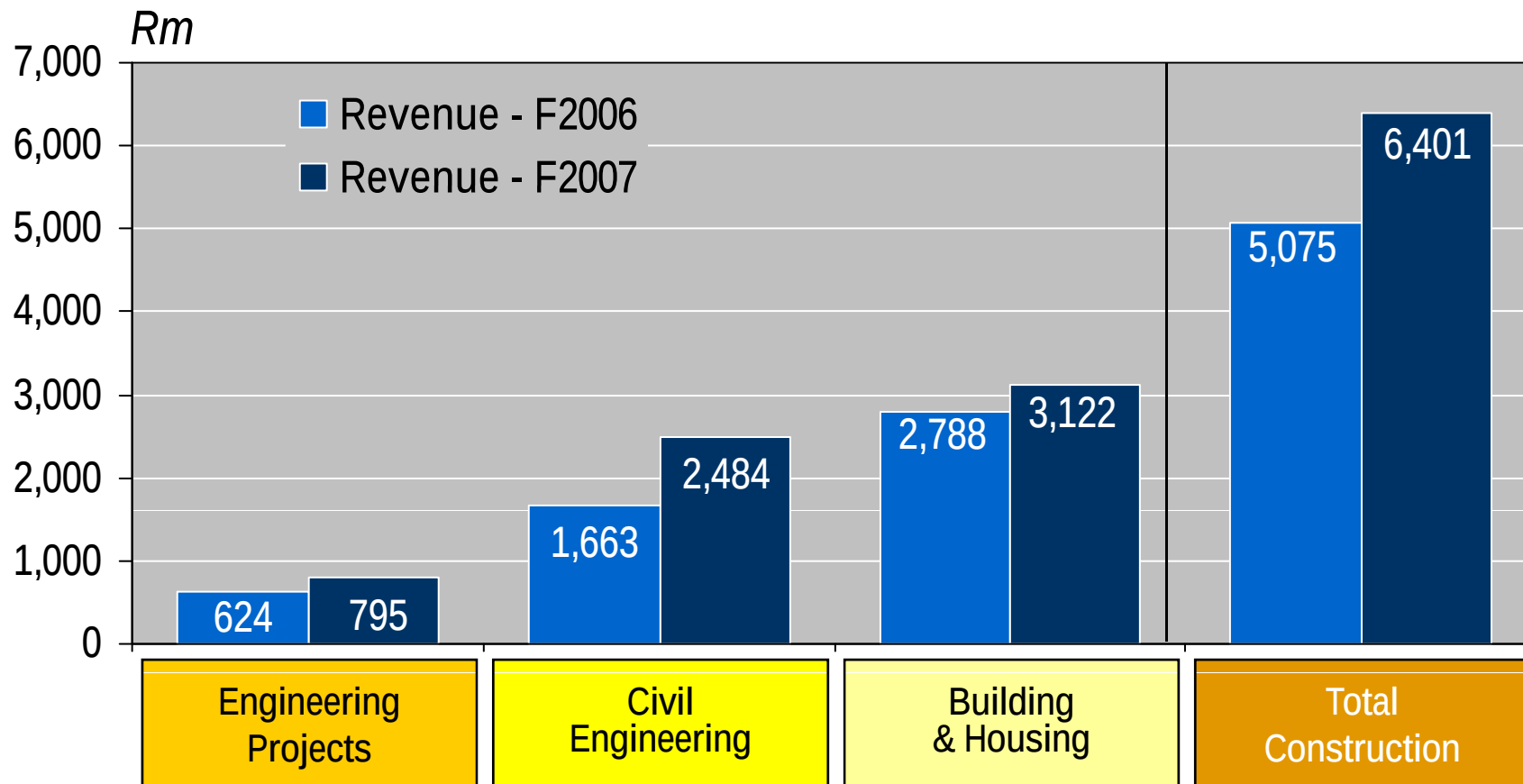
Construction

Construction achieved an operating margin
of over 5% in H2 2007

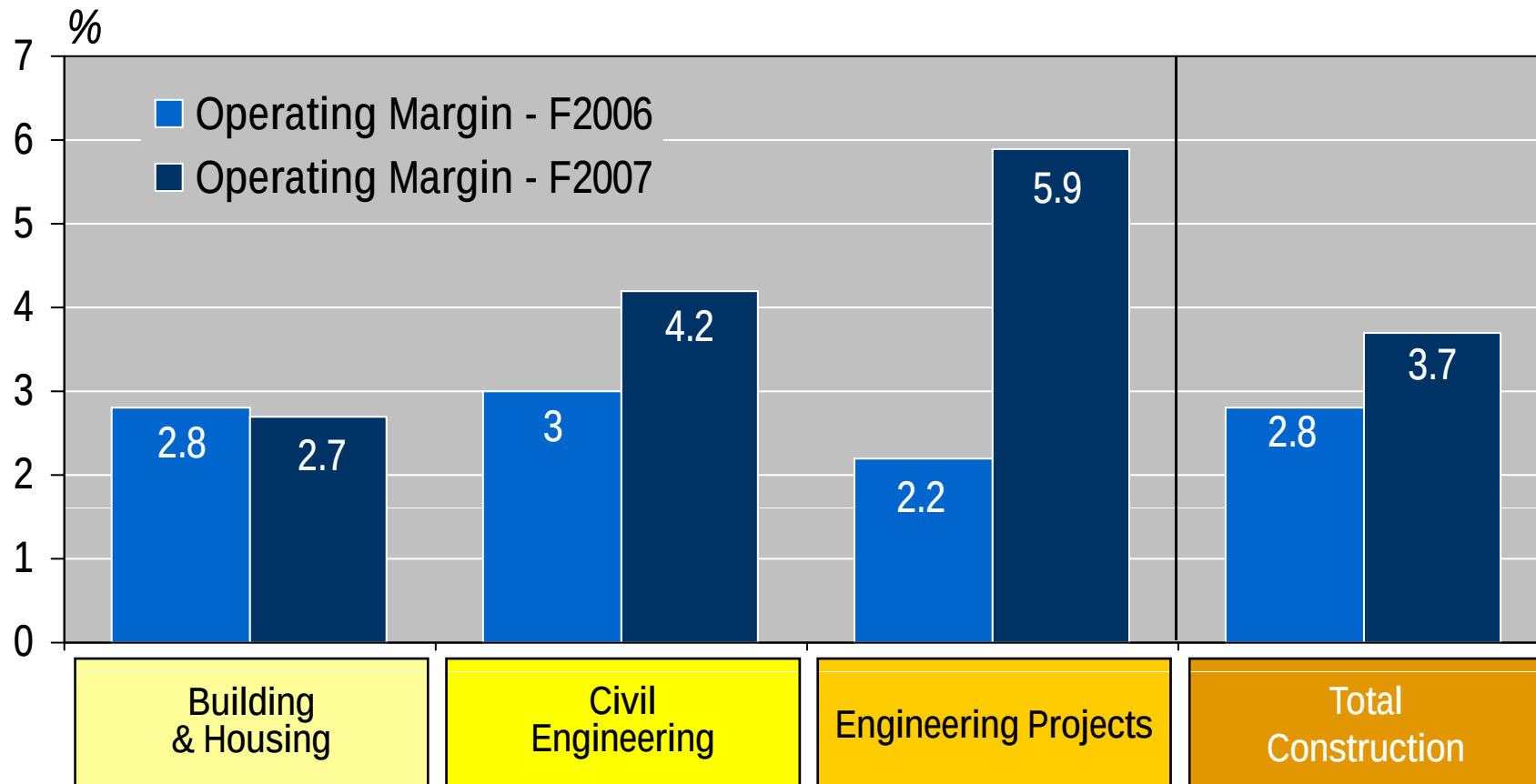


* 2007 versus 2006

Construction



Operating margin by business



Continued strong growth with:

📈 Operating profit increasing by 65,3% to R236,5 million (2006: R143 million)

📈 Over-border work contributing 48% (2006: 44%) to revenue

Construction

Construction – 12 month secured order book

<i>R million</i>	<i>2006 (Actual)</i>	<i>% Over- border</i>	<i>2007 (Actual)</i>	<i>% Over- border</i>	<i>2008</i>	<i>% Over- border</i>	<i>Estimated 2008 Capacity</i>
Building & Housing	2 788	27%	3 122	27%	1 883	-	3 100
Civil Engineering	1 663	65%	2 484	67%	2 215	55%	3 200
Engineering Projects	624	67%	794	74%	735	73%	1 000
Total	5 075	44%	6 401	48%	4 833	37%	7 300

Construction

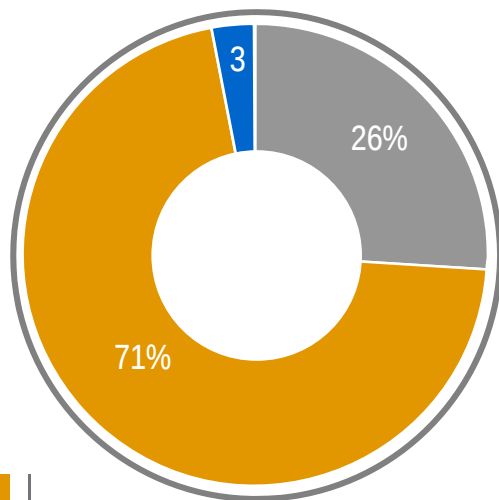
R1bn of the 2008 order book includes year 1 of the King Shaka Airport, Durban Stadium & the Durban port widening project



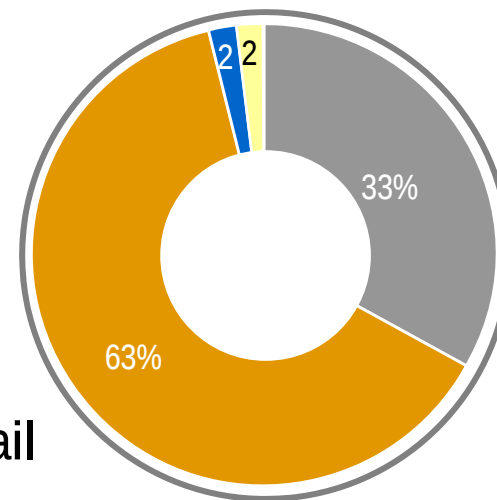
Performance – Building & Housing

- Revenue increased by 11,5%; margins remained constant at $\pm 2,7\%$
- Skills are being transferred into building infrastructure projects with higher margins
- This shift is reflected in the current one year order book of R1,9 bn compared to R2,5 bn at June 2006
- New order intake is at higher margins

Revenue by industry type 2006



Revenue by industry type 2007

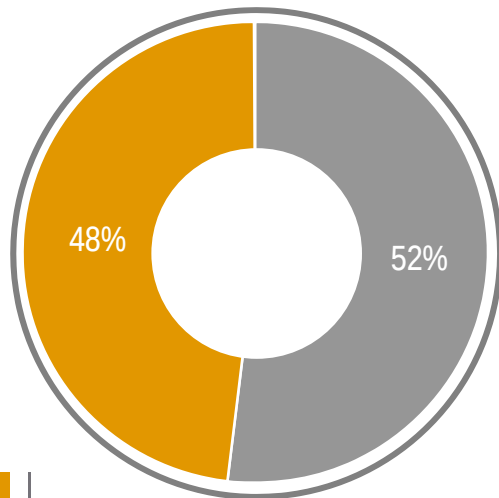


■ Residential
■ Commercial / Retail
■ Industrial
■ Public sector

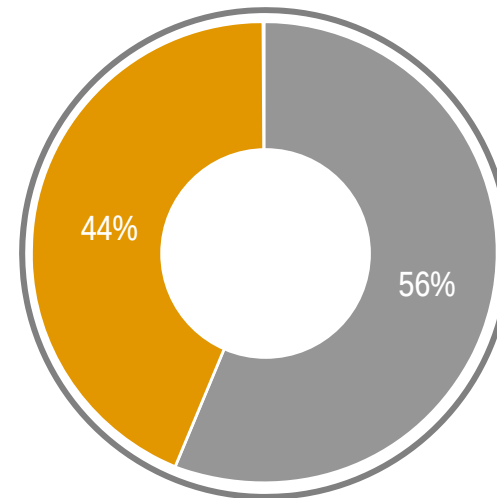
Performance – Civil Engineering

- Revenue increased by 50% and operating profit more than doubled, resulting in operating margin % of 4,2% (2006: 3%)
- Buoyant activity in all markets
- Current order book of R2,2 bn surpasses Building and Housing for the first time in many years and compares favourably to the R1,8 bn order book at June 2006

Revenue by industry type 2006



Revenue by industry type 2007



Public
Private

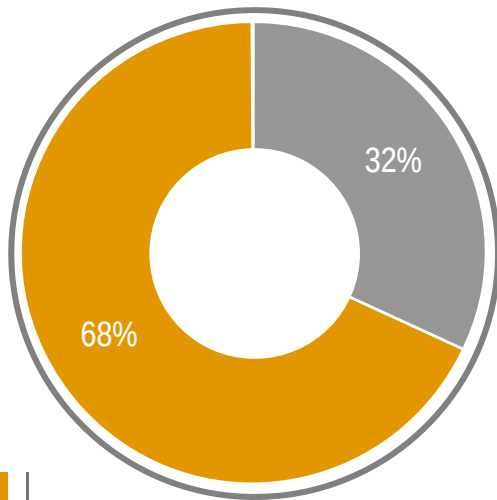
 GROUP FIVE

Construction

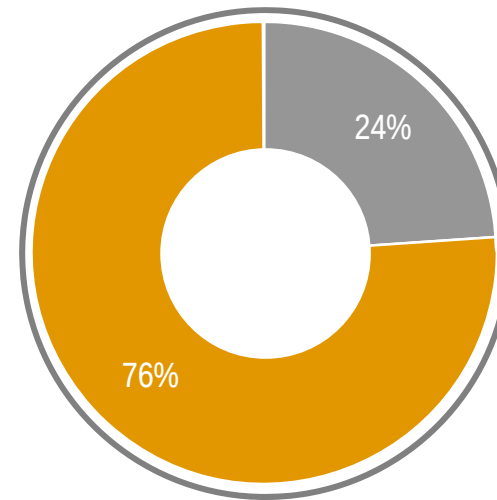
Performance – Engineering Projects

- Revenue increased 27,2% and operating profit more than trebled with operating margin % improving to 5,9% (2006: 2,2%)
- Activity in the mining and power sectors in Africa remains buoyant
- The secured order book is at R735m, comparing favourably to that of last year at 30 June 2006 of R400m

Revenue by industry type 2006



Revenue by industry type 2007



Oil, Gas & Power
Mining & Industrial

Construction

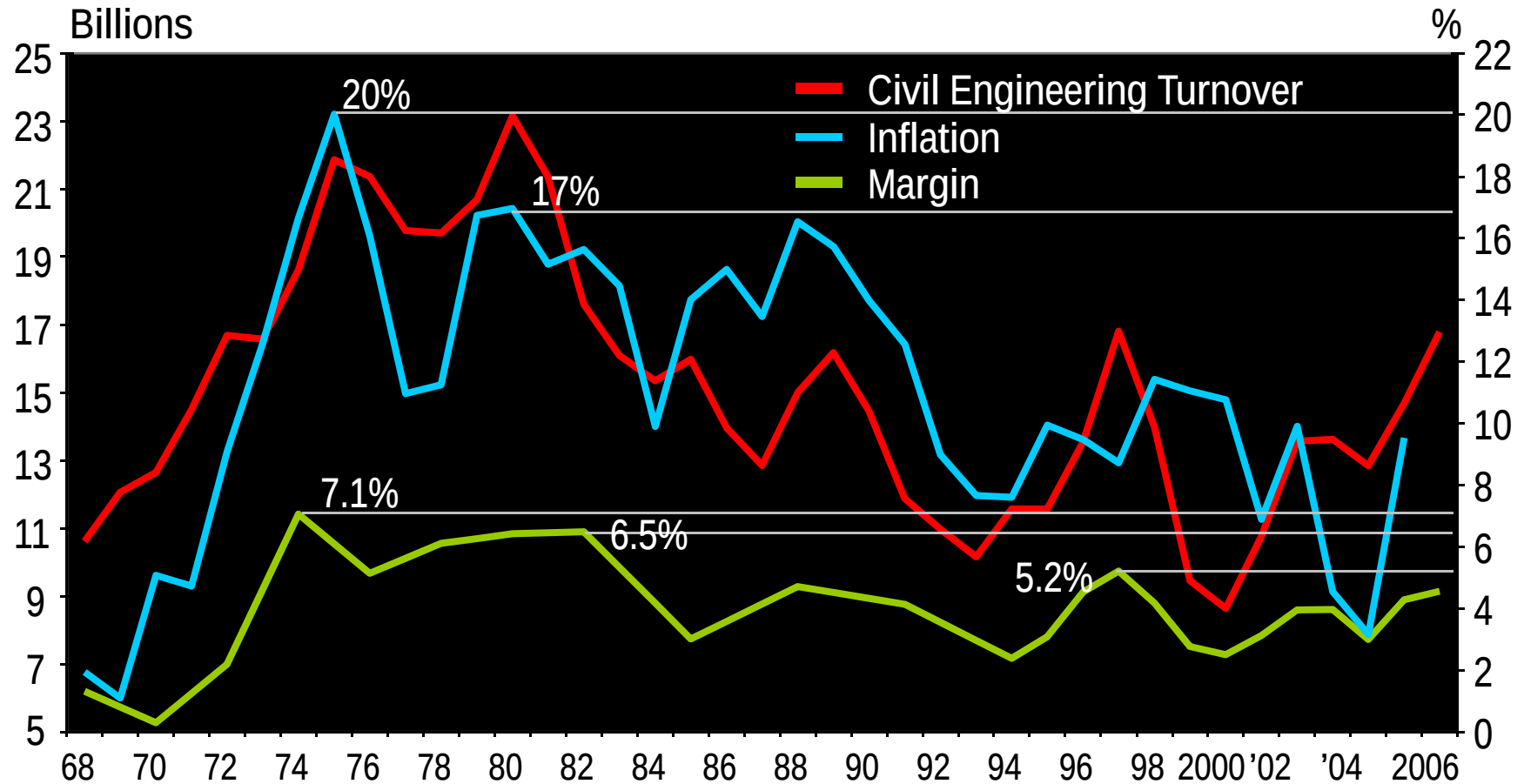
 GROUP FIVE



Prospects

Historic margins in SA construction

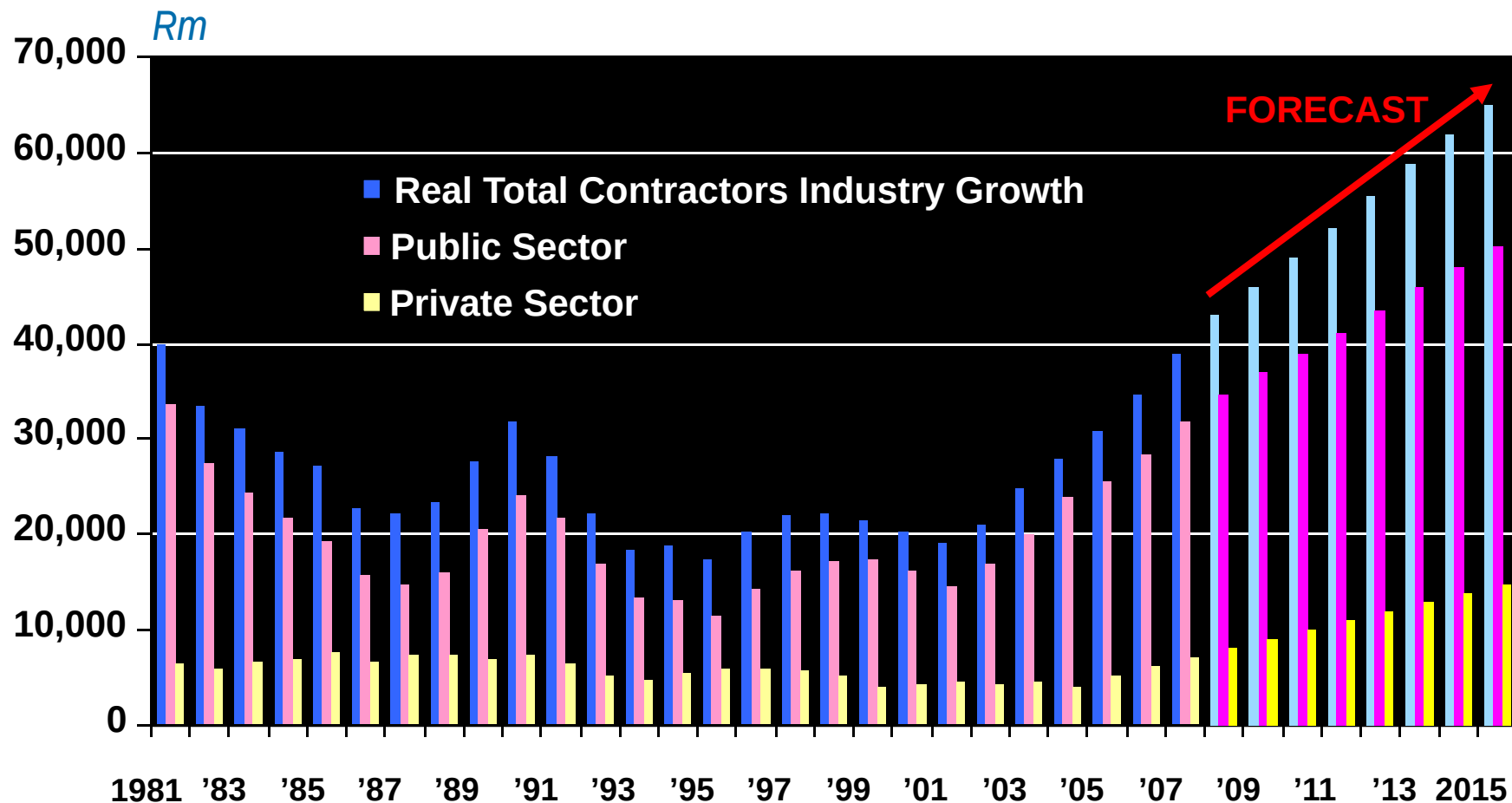
Civil Engineering Turnover (2000=100), Inflation (%), Margin (%)



Market Outlook – South Africa

📊 Growth momentum set to continue well past 2010

📊 Real (inflation excluded) Investment in Total Construction Works is a good example:



Group Five Significant projects

Project	Value	G5 Stake	Duration
Moses Mabhida Soccer Stadium	R2,0bn	35%	2,5 years
King Shaka Airport	R6,8bn	37%	3,0 years
Durban harbour	R1,8bn	65%	3,0 years
1 Sandton Drive	R300m	100%	1,5 years
Woodmead Retail	R232m	100%	1,0 year
Four Seasons Hotel Mauritius	R360m	50%	1,0 year
Senekal Road	R220m	100%	2,0 years
Department of Education New HO	R322m	100%	2,0 years
Northern treatment waste water contract	R165m	100%	1,0 year
University of W. Cape expansion	R211m	100%	1,5 years
Dubai Duty Free Warehouse	R424m	100%	1,5 years
Dubai Terminal 2 expansion	R577m	100%	1,5 year
Tenke Fungurume – Copper Mine DRC	R170m	100%	1,3 years
Ruashi Phase 2 – DRC	R374m	100%	2,0 years



Frequently Asked Questions

Questions	Group Five's response
Raw material shortages and price increases	✚ No shortages have been experienced locally; average price increases of $\pm 12\%$ in F2007 ✚ Upfront negotiations to secure fixed terms with suppliers and subcontractors ✚ Escalation formula in contracts and under-recovery priced in ✚ Investment in own supply will assist availability to an extent
Skills shortages	✚ Investment in training almost doubled ✚ Tripling intake of students ✚ Repatriation of South Africans and recruitment of expats ✚ Bulk work permit application with Home Affairs ✚ Use of local content labour on over-border contracts



Frequently Asked Questions

Questions	Group Five's response
Risk of overtrading	⚡ Rigorous review of risk and availability of resources prior to bidding ⚡ Stringent project selection (Civils currently declining 80% of new opportunities) ⚡ Tightening execution
Alliance partnering	⚡ Partnerships with financially strong, established players for strategic projects make for higher margins ⚡ Stringent identification and allocation of risks within consortium framework



Prospects

Working capital in construction will improve, but not to historic levels:

- In line with group's growing exposure to civils
- Some investment in manufacturing & construction materials

Investments and concessions:

- Well-positioned to deliver new mega projects and investment opportunities in transport and power

Manufacturing & Construction Materials:

- First full year contribution from Quarry Cats and Sky Sands at higher margins in F2008
- Increased capacity output from Everite

Construction:

- Continued shift in mix towards public infrastructure, civil and engineering projects at higher margins
- Strong market provides ability to negotiate contract terms from a position of strength
- New JV in Dubai with Al Naboodah group focused on Middle East growth



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



Appendices

Segmental analysis – Revenue

<i>R'000</i>	<i>% of Total 2007</i>	<i>2007 Audited</i>	<i>2006 Audited</i>	<i>2005 Audited</i>
Infrastructure Concessions	3%	226 016	189 247	132 517
Property Developments	4%	307 784	126 970	94 773
Manufacturing & Construction Materials	10%	754 849	472 975	446 308
 Everite		457 925	450 736	431 776
 Quarry Cats*		231 081	-	-
 Group Five Pipe		65 843	22 239	14 532
Construction	83%	6 400 519	5 075 529	3 834 687
 Building and Housing		3 121 921	2 788 466	2 268 610
 Civil Engineering		2 484 293	1 662 700	1 051 679
 Engineering Projects		794 305	624 363	514 398
Total Revenue	100%	7 689 168	5 864 721	4 508 285

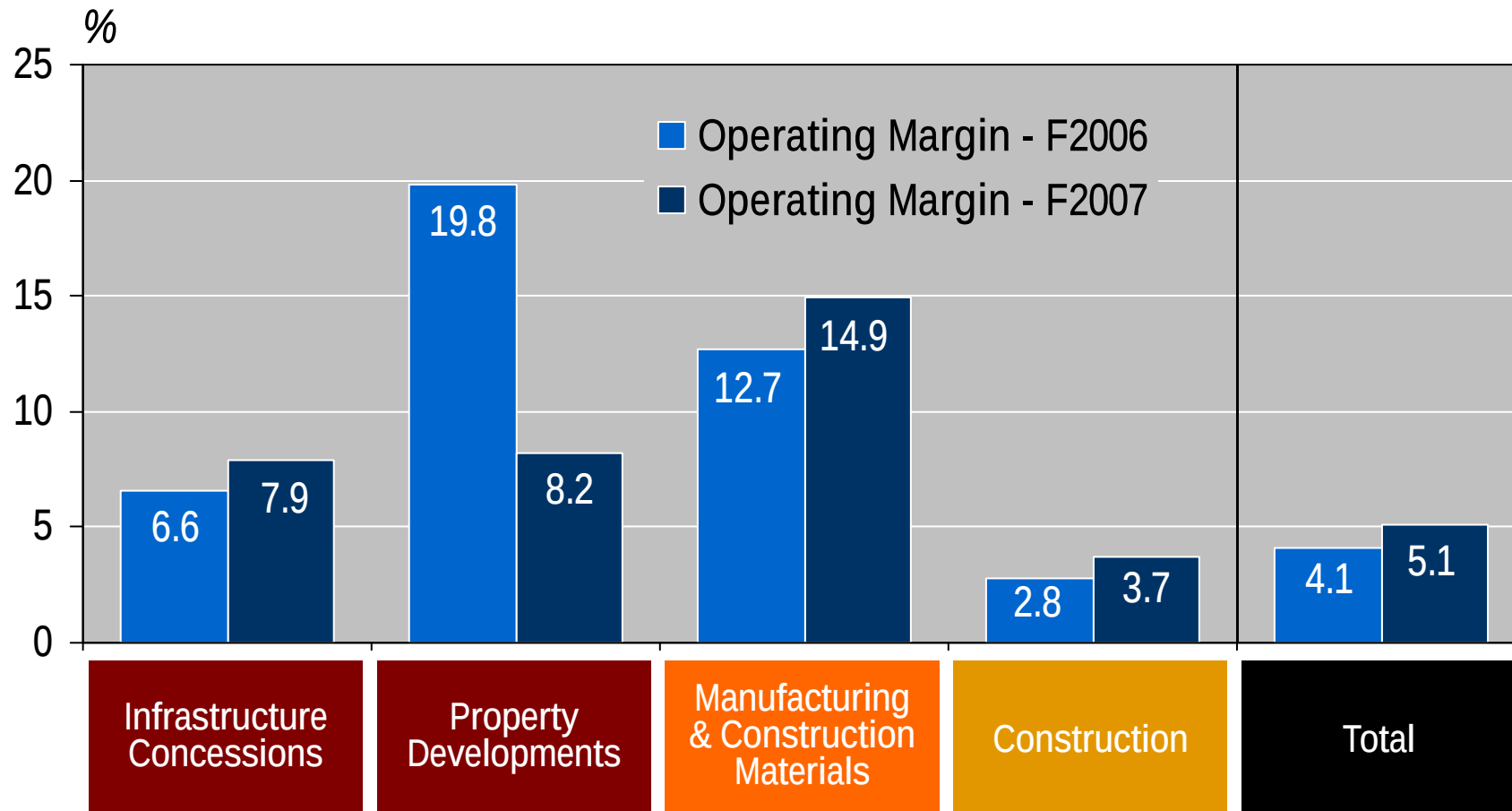
* Contribution included from Feb 2007

Segmental analysis – Operating profit

R'000	2007 Operating Margin %	2007 Audited	2006 Audited	2005 Audited
Infrastructure Concessions	7,9%	17 927	12 398	6 138
Property Developments	8,2%	25 164	25 132	11 240
Manufacturing & Construction Materials	14,8%	112 050	60 205	36 157
 Everite		55 189	56 658	34 369
 Quarry Cats*		45 531	-	-
 Group Five Pipe		11 330	3 547	1 788
Construction	3,7%	236 483	143 064	62 151
 Building and Housing		84 276	78 903	44 158
 Civil Engineering		105 037	50 169	(9 712)
 Engineering Projects		47 170	13 992	27 705
Total Revenue	5,1%	391 624	240 799	115 686

* Contribution included from Feb 2007

Segmental analysis – operating margin % discipline



Continued strong growth with:

📈 Operating profit increasing by 62,6% to R392 million (2006: R241 million)

📈 Overall margin improved from 4,1% to 5,1%

Mining projects in Africa

30 – 40 projects

Burkina Faso
Perkoa zinc

Mali
Syama project

Ghana
Tarkwa project

DRC
Ruashi 2
Kamoto 1-5
KoV
Kolwezi tailings
Kalukundi
Tenke furogrome
Kipushi zinc

Congo
Pot Ash project

Zambia
Konkola
Lumwana
Chambisi

Namibia
Rossing
Langer heinrich 2

South Africa
Kumani
Stylrift
Amandelbult
Klipspruit
Simmer & Jack
Impala 17 shaft
Pardekraal
Eland platinum
Weziswa

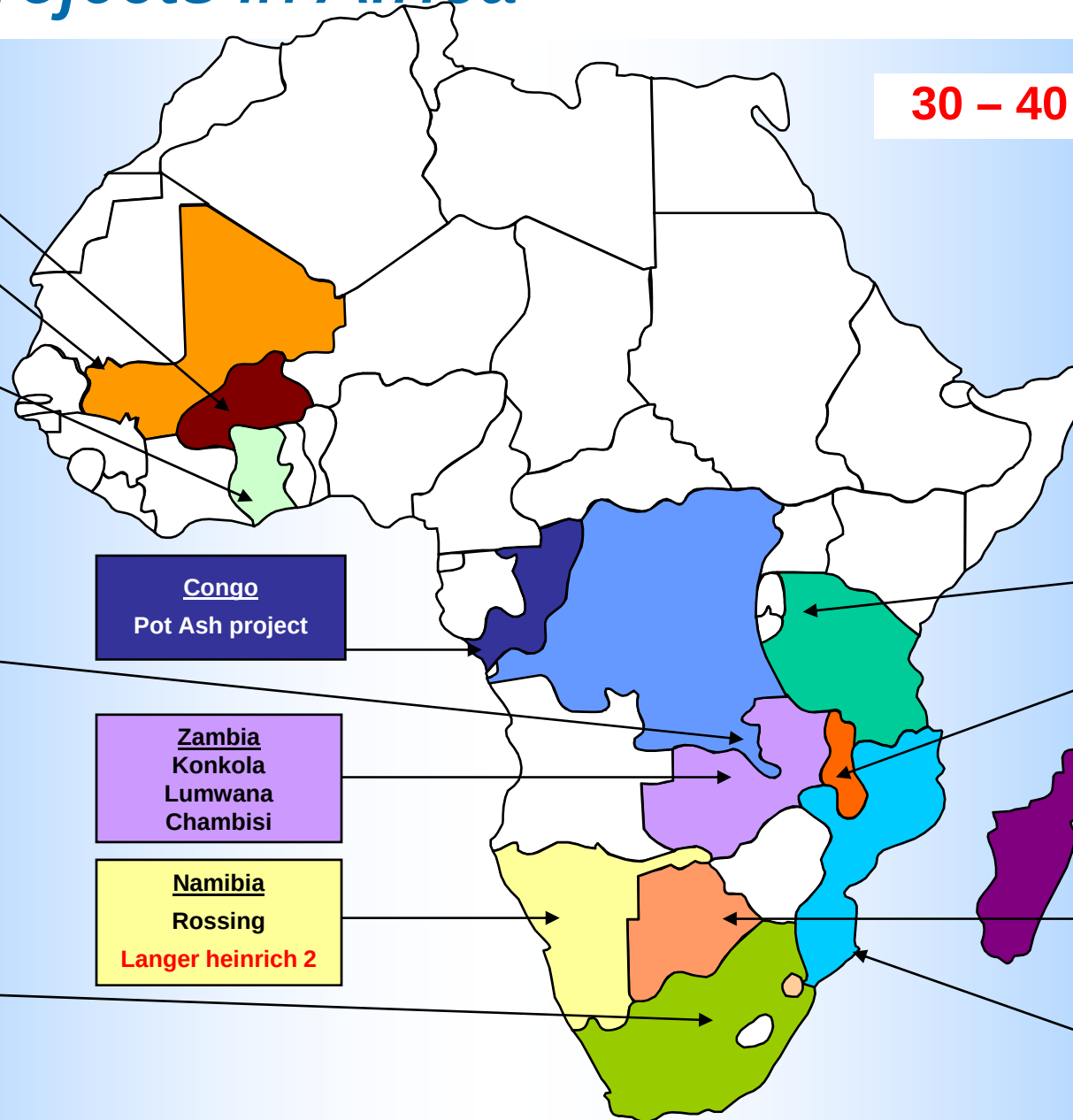
Tanzania
Geita 2
Kabanga Nickel

Malawi
Kaylekera

Madagascar
Ambatovy nickel

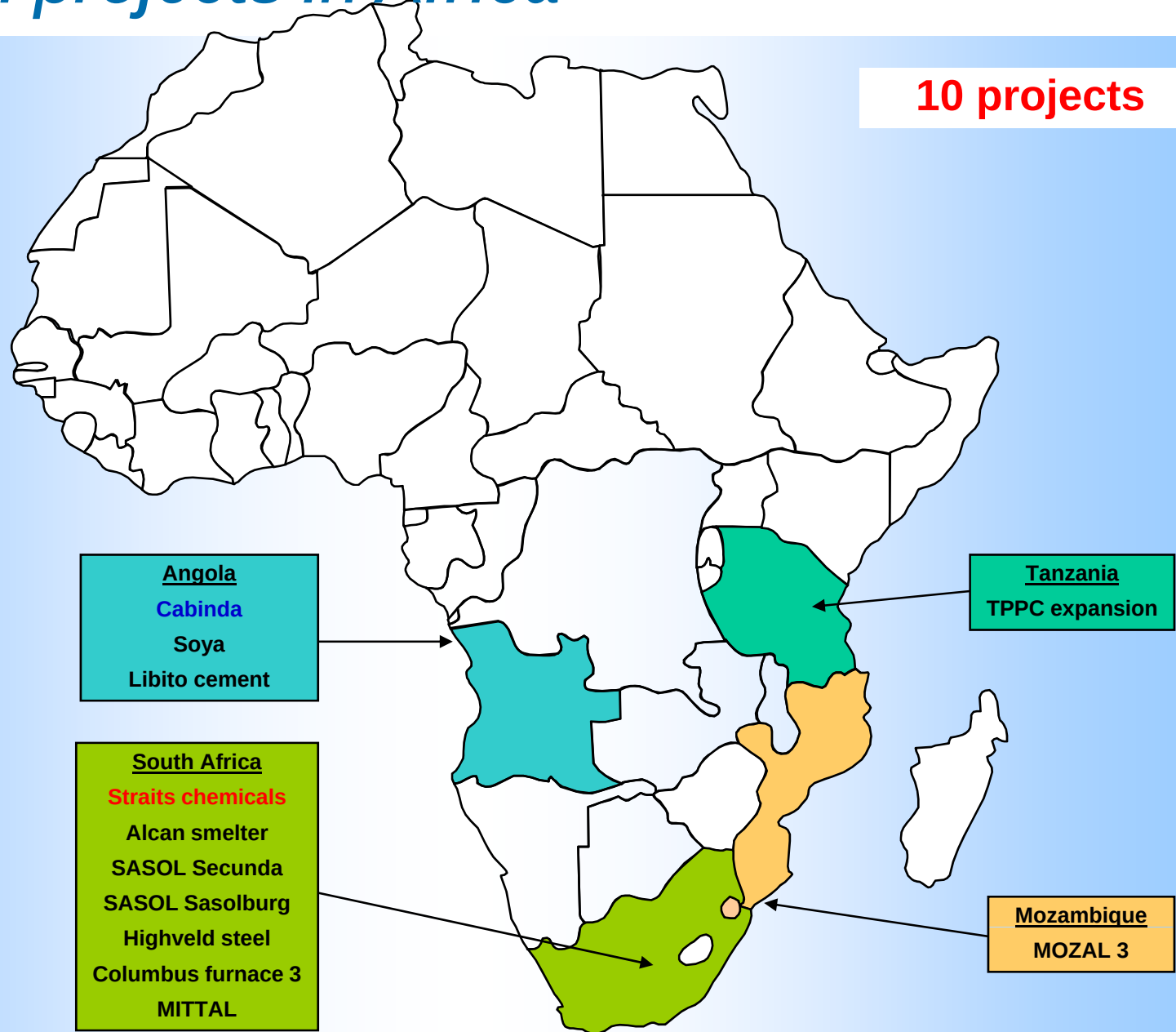
Botswana
Orapa exp
Tati nickel exp

Mozambique
Corridor sands



Industrial projects in Africa

10 projects



Power projects in Africa

