GROUP FIVE

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Unaudited group results for the six months ended 31 December 2006

SINCE 1974

Agenda

- Financial highlights
- Financial review
- Business review
- Prospects
- Transition of the CEO's role and the way forward

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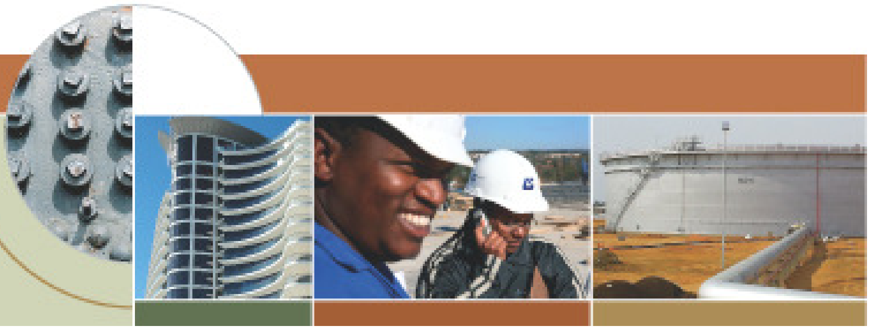
Financial highlights



Financial highlights

Rm	% change	H1 2007 Unaudited	H1 2006 Unaudited as restated
Revenue	37,7%	4 004	2 909
Operating Profit	60,9%	138	85
HEPS (loss) (c)	n/a%	121,0	(55,8)
HEPS before external BEE ownership expense (c)	74,4%	121,0	69,4
DPS (c)	50,0%	30,0	20,0
EPS (loss) (c)	n/a%	121,0	(44,2)
EPS before external BEE ownership expense (c)	49,4%	121,0	81,0

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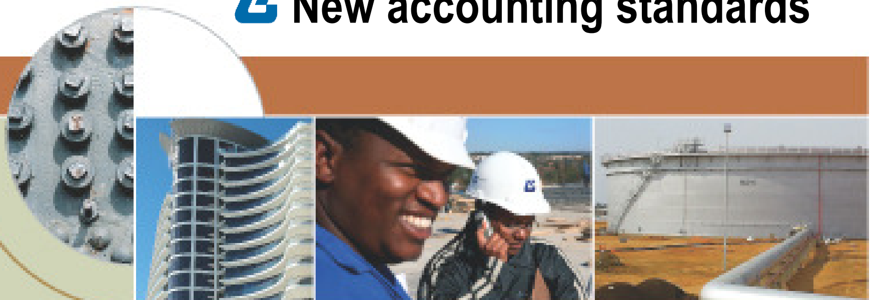
Financial review

- Income Statement
- Segmental analysis – Revenue & operating profit
- Cash flow and capital expenditure
- Regearing the balance sheet
- Key financial ratios
- New accounting standards



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Income statement

R' 000	H1 2007 Unaudited	H2 2006 Unaudited	H1 2006 Unaudited as restated
Revenue	4 004 824	2 955 400	2 909 321
Operating margin %	3,4%	5,3%	2,9%
Operating profit	137 548	155 303	85 496
Other income / (costs) – net	4 000	19 978	(89 475)
Profit / (loss) before finance costs and taxation	141 548	175 281	(3 979)
Finance costs	(12 676)	(15 979)	(14 350)
Profit / (loss) before taxation	128 872	159 302	(18 329)
Effective tax rate	28%	32%	n/a
Profit / (loss) from continuing operations	92 915	108 759	(30 540)
Loss from discontinued operations	(1 129)	(20 418)	(656)
Profit / (loss) for the period	91 786	88 341	(31 196)

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Segmental analysis – Revenue

R'000	H1 2007 Unaudited	H2 2006 Unaudited	H1 2006 Unaudited as restated
Infrastructural Developments	227 961	176 044	140 173
Property Development Services	130 461	81 104	45 866
Infrastructure Development Services	97 500	94 940	94 307
Manufacturing	261 019	230 619	242 356
Everite	232 001	216 653	234 083
Group Five Pipe	29 018	13 966	8 273
Construction	3 515 844	2 548 737	2 526 792
Building and Housing	1 868 676	1 263 548	1 524 918
Civil Engineering	1 271 391	945 099	717 601
Engineering Projects	375 777	340 090	284 273
Total Revenue	4 004 824	2 955 400	2 909 321

Segmental analysis – Operating profit

R'000	H1 2007 Unaudited	H2 2006 Unaudited	H1 2006 Unaudited as restated
Infrastructural Developments	6 103	23 696	8 754
Property Development Services	5 663	18 390	6 854
Infrastructure Development Services	440	5 306	1 900
Manufacturing	38 067	30 035	30 616
Everite	31 265	27 572	29 537
Group Five Pipe	6 802	2 463	1 079
Construction	93 378	101 572	46 126
Building and Housing	46 807	49 266	32 201
Civil Engineering	29 629	41 278	10 372
Engineering Projects	16 942	11 028	3 553
Total Operating Profit	137 548	155 303	85 496

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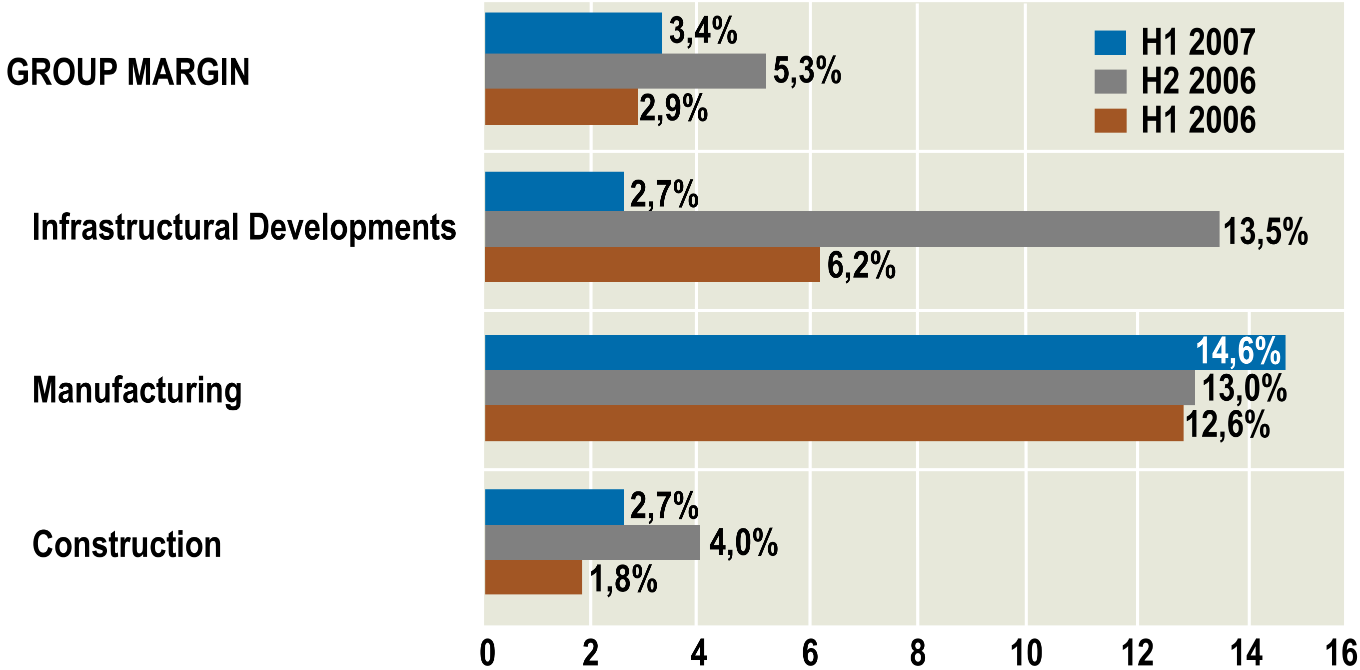
Segmental analysis – Operating margins



Cash flow

- Slow start to Dubai (change in client's design specification led to cancellation of 1 contract)
- Advance payments on East Africa realising
- Properties under development increased (R70m)

R'000	H1 2007 Unaudited	H2 2006 Unaudited	H1 2006 Unaudited as restated
Operating cash	196 729	198 423	108 676
Working capital changes	(208 342)	(20 875)	315 039
Cash (utilised in)/ generated by operations	(11 613)	177 548	423 715
Finance costs	(12 676)	(15 979)	(14 350)
Taxation and dividends paid	(64 841)	(168 231)	(26 119)
Net cash (utilised in)/ generated by operations	(89 130)	(6 662)	383 246
Net cash (utilised in)/ generated by investing activities	(61 531)	81 828	(34 103)
Net cash generated by/ (utilised in) financing activities	40 566	141 910	(74 503)
Cash generated by /(utilised in) discontinued operations	25 441	26 213	(126 894)
Net (decrease)/increase in cash and cash equivalents	(84 654)	243 289	147 746

- H2 2006 had large disposals of PP&E and also inflow from concessions
- Capital expenditure increasing
- Expansion at Everite and investment in IT

Funding of properties under development

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Capital expenditure

R'000	Budget Year to June 2007	H1 2007 Unaudited	H2 2006 Unaudited	H1 2006 Unaudited as restated
Everite				
- Expansion	41 000	16 028		
- Maintenance	-	3 883	14 219	12 807
Mobile plant and equipment				
- Expansion	69 000	25 803	36 435	25 333
- Maintenance	40 000	17 202	24 290	16 888
Middle East				
- Expansion	60 000	4 338	8 471	24 811
IT	40 000	27 300	19 765	15 435
Other	-	5 961	56 710	10 829
TOTAL	250 000	100 515	159 890	106 103

Re-gearing the balance sheet

- **Majority of Quarry Cats acquisition funded through equity vendor placing – R750m**
  (implied 12 PE; 24% operating margins; operational synergies)
- **R1bn DMTN programme registered for Group Five Construction, fully guaranteed by Group Five Limited;**
- **Obtained GCR ratings of A (Single A) long term and A1 (Single A one) short term**
- **First draw down at end of February**
  - 3 years – +/-R200m
  - 5 years – +/-R500m
- **Used to:**
  - Finance future acquisitions in infrastructure chain
  - Pay off expensive local overdraft debt (± R200m)
  - Enhance working capital opportunities

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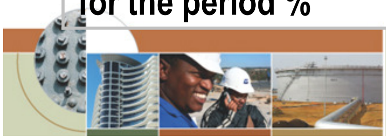
Key financial ratios

	H1 2007 Unaudited	H2 2006 Unaudited	H1 2006* Unaudited as restated	Goals**
Dividend Cover (x)	4,0	3,2	4,1	4.0
Operating margin %	3.4	5.3	2.9	>5.0
Debt to Equity ratio % - gross	87	56	56	66
Debt to Equity ratio % - net	-	-	-	33
Capital Expenditure (Rm)	100 515	159 890	106 103	n/a
Interest Cover (x)	11,2	11,0	6,1	>5.0
Cash generated as a % of net income	-	275%	247%	100%
Revenue from repeat income sources %	12	13	13	33
External financial institution guarantees available (Rm)	3 049	1 410	1 158	Guarantees in issue ± 40% of revenue
Return on shareholders funds %	12	12	10	20% p.a.; 10% per interim
Total over border revenue for the period %	40	37	36	33



** But before external BEE ownership expense*
*** Short to medium term incl. Quarry Cats and bond issue*

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New accounting standards

- **The disposal of WSSA, Group Five Saudi Pipe, Vaal Sanitaryware and DPI Plastics, and the sale and close down of the business interests in India have been disclosed for all periods presented in terms of International Financial Reporting Standards (IFRS) 5 “Non Current Assets Held for Sale and Discontinued Operations”**
- **IFRIC 8 – “Scope of IFRS 2”, issued in January 2006 and 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 R91m 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 period’s reported results have been restated accordingly

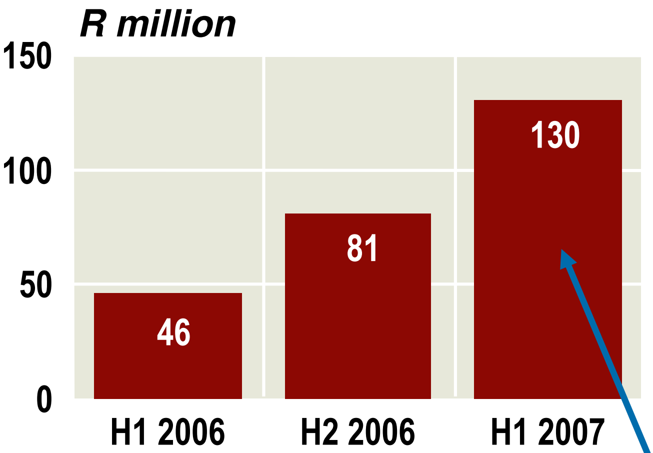
Business review

- **Infrastructural Developments**
  - Property Development Services (PDS)
  - Infrastructure Development Services (IDS)
- **Manufacturing** (building & construction materials)
  - Everite
  - Group Five Pipe
  - Quarry Cats
- **Construction**
  - Building and Housing
  - Civil Engineering
  - Engineering Projects

Infrastructural Developments

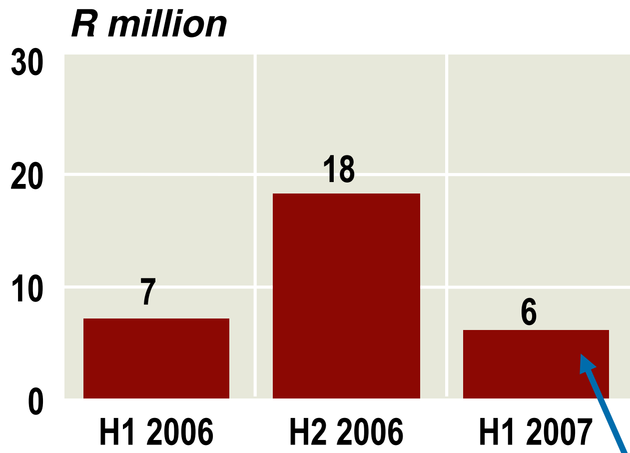
Property Development Services (PDS)

Revenue 184%



Increased level of commercial revenue vs residential, investment and industrial revenue in prior period

Operating Profit 17%



- Slight decrease expected due to the no. of projects to be concluded in H2 2007
- Full year profitability expected to match prior year

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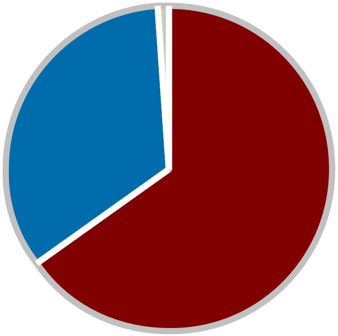
Infrastructural Developments

Property Development Services (PDS)

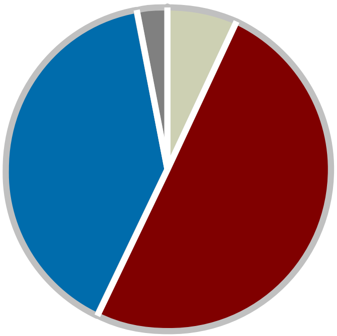
Revenue by property type

H1 2007



Industrial	1%
Commercial	65%
Residential	34%
Investments	0%

H1 2006



Industrial	7%
Commercial	50%
Residential	40%
Investments	3%

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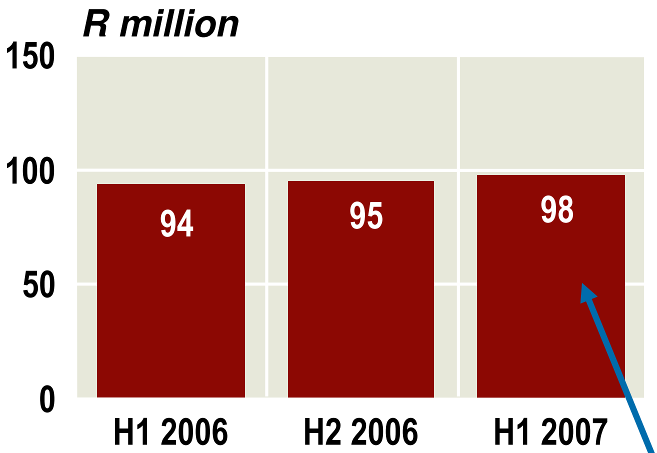
Infrastructural Developments

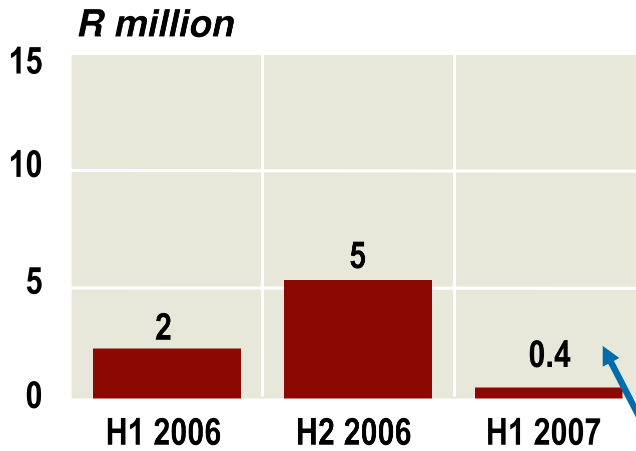
Infrastructure Development Services (IDS)

Revenue



Revenue in line with budget – relates to operation and maintenance equipment supply on toll roads

Operating Profit



- Operating profit margin on toll roads improved to 5,3% from 4,6% in the comparative prior period
- Decrease due to the continued policy of writing off development cost on targeted large Infrastructure projects
- Significant effort spent in the period on King Shaka Airport

Manufacturing

Manufacturing
(building & construction materials)

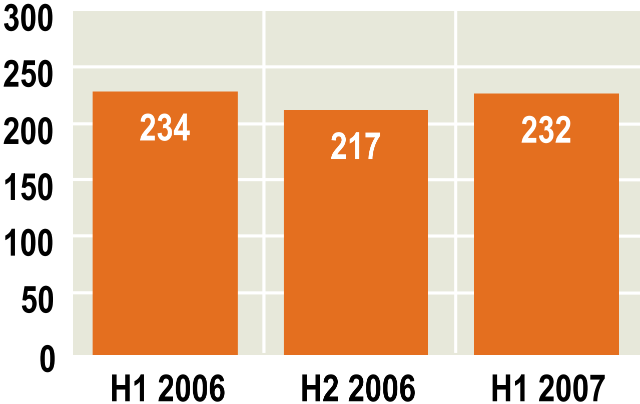
- Everite
- Group Five Pipe
- Quarry Cats

Manufacturing

Everite

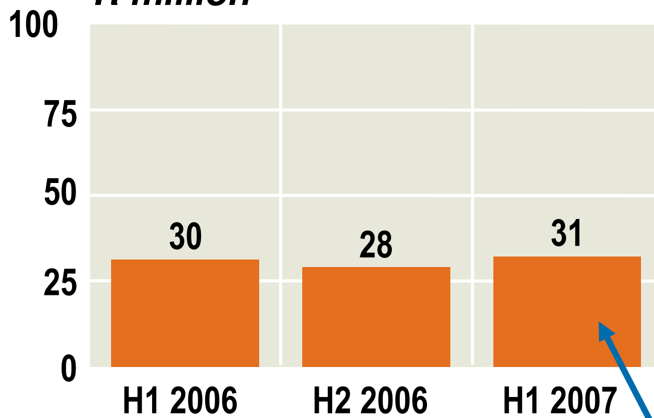
Revenue -1%

R million



Operating Profit 6%

R million



- Up from R29,5m to R31,3m
- Margin up from 12,6% to 13,5% (factory improvements vs minimal price increases)
- Everite continues to operate at full capacity
- Project to increase capacity by 25% (commissioned by 30 June 2007)

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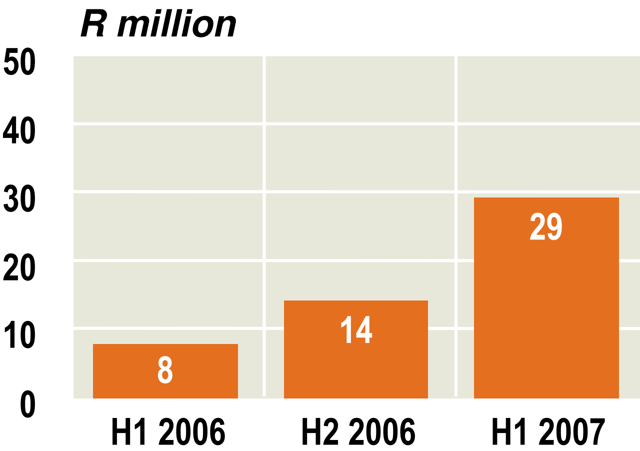
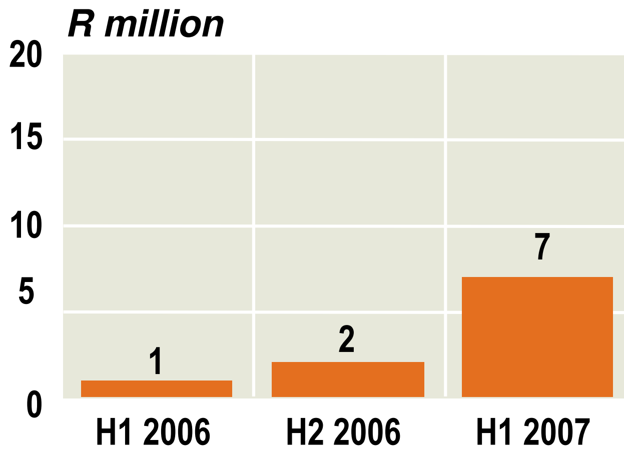
Manufacturing

Group Five Pipe

Revenue 251%



Operating Profit 530%



- A very focused business, dependent on large-scale contracts
- Full effect of VRESAP contract coming through

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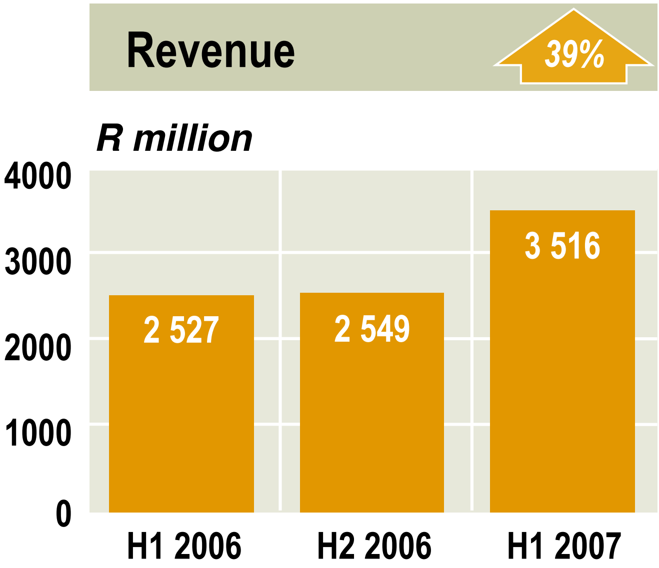
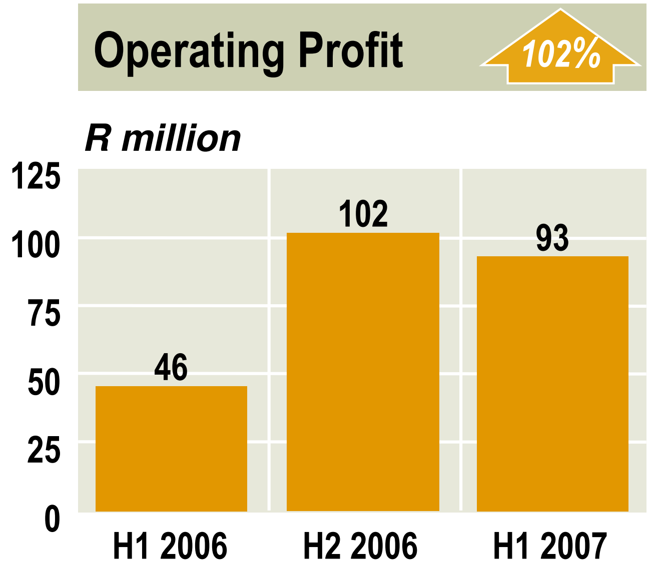
Construction

- Construction
  - Building and Housing
  - Civil Engineering
  - Engineering Projects

Construction





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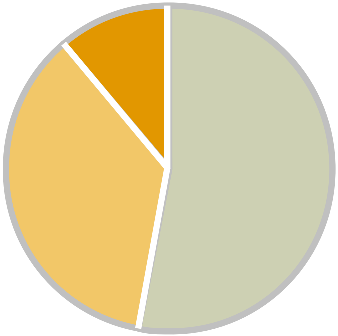
Construction

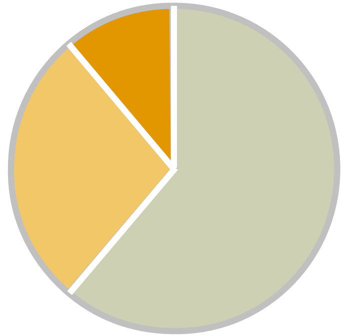
Revenue by business

H1 2007



■	Building and Housing	53%
■	Civil Engineering	36%
■	Engineering Projects	11%

H1 2006

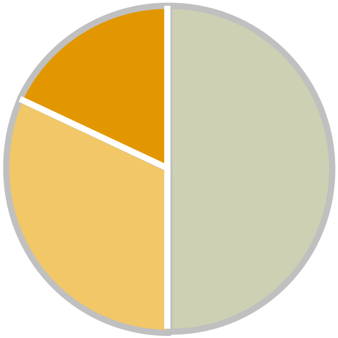


■	Building and Housing	61%
■	Civil Engineering	28%
■	Engineering Projects	11%

Construction

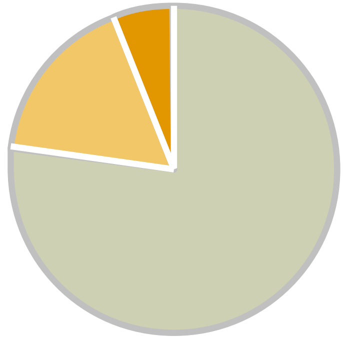
Operating profit by business

H1 2007



Building and Housing	50%
Civil Engineering	32%
Engineering Projects	18%

H1 2006

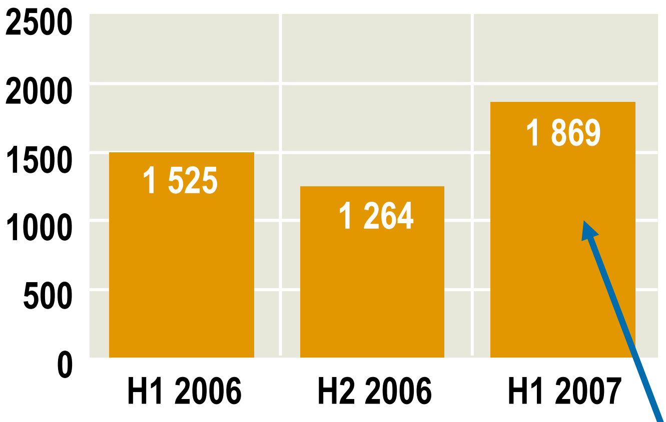


Building and Housing	70%
Civil Engineering	22%
Engineering Projects	8%

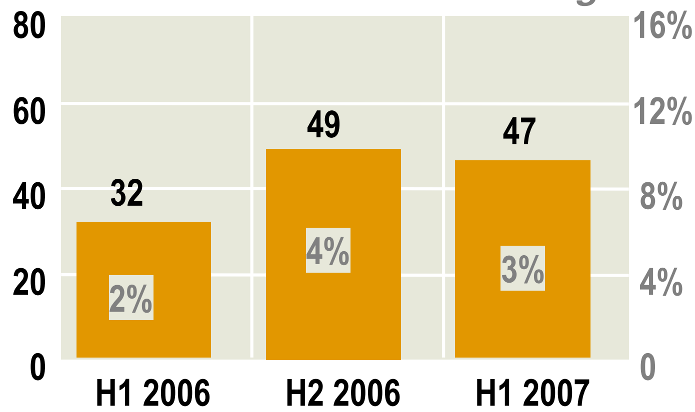
Construction

Performance — Building and Housing

Revenue 23%



Operating Profit 45%



Revenue increased by 23% to R1.9bn

Influenced by substantial completion of East Africa contracts

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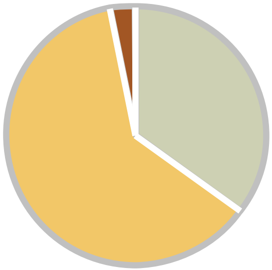
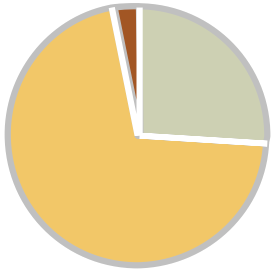
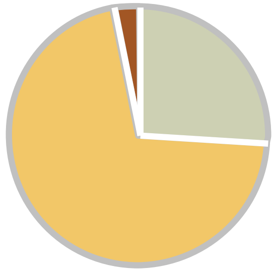
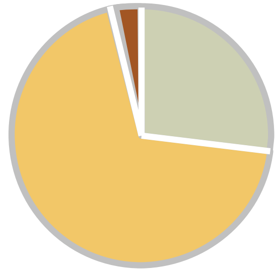
Construction

Revenue — Building and Housing

F2007*	H1 2007	F2006	H1 2006
			

	F2007*	H1 2007	F2006	H1 2006
Residential	35%	26%	26%	27%
Commercial / Retail	62%	71%	71%	69%
Industrial	3%	3%	3%	4%

** As indicated by current secured order book*

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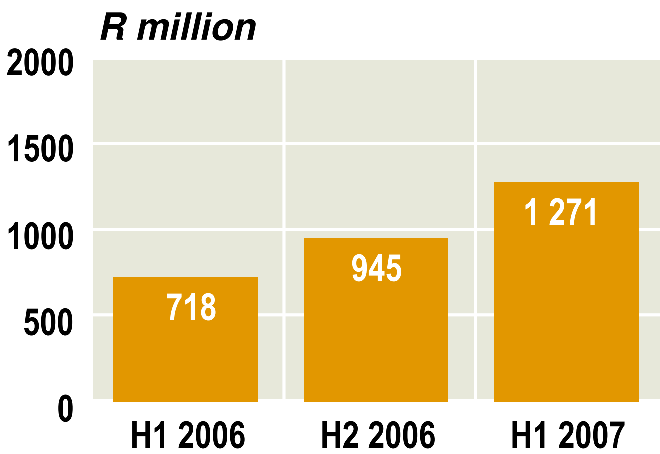
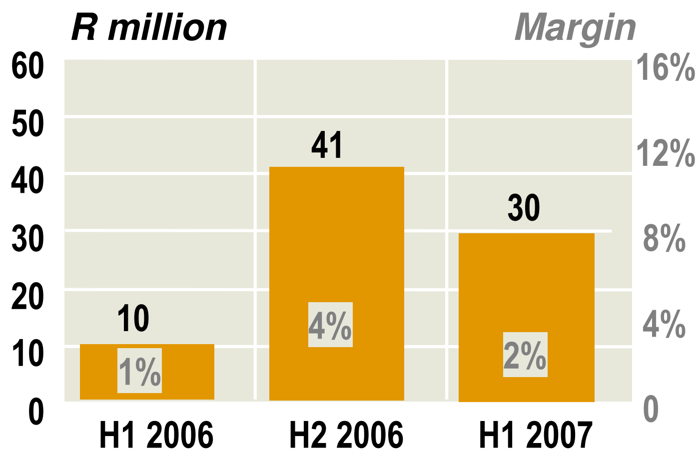
Construction

Performance — Civil Engineering

Revenue 77%



Operating Profit 186%



- Increase due to improved market local and African environment
- Dubai contribution was less than expected (cancellation of contract) – fully secured for full year

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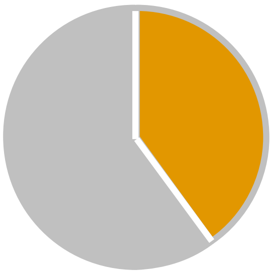
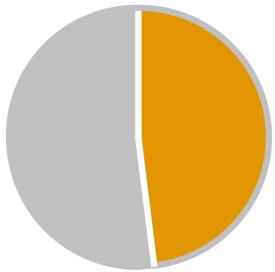
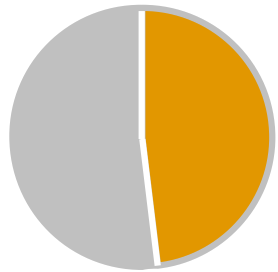
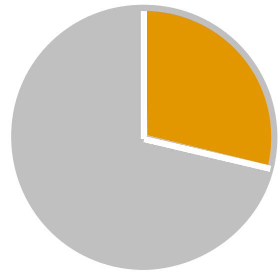
Revenue — Civil Engineering

	F2007*	H1 2007	F2006	H1 2006
Private	40%	48%	48%	29%
Public	60%	52%	52%	71%

** As indicated by current secured order book*

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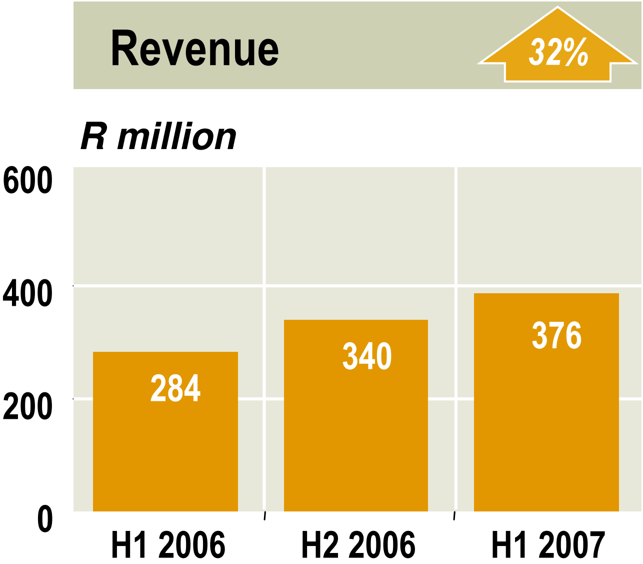
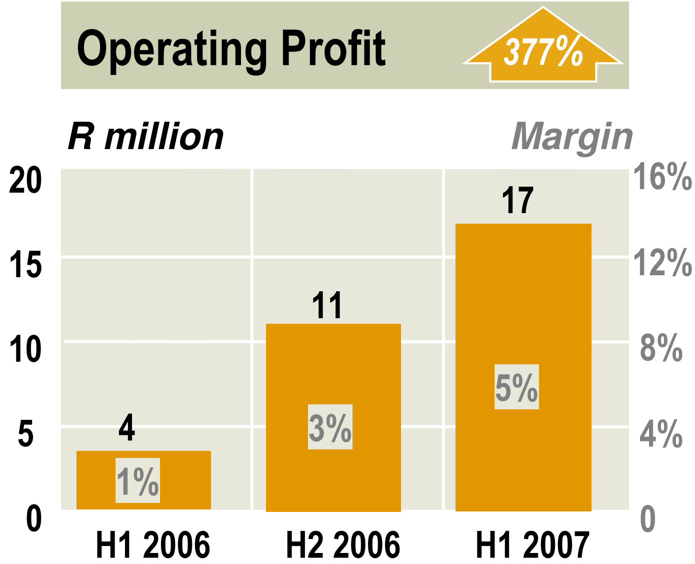
Performance — Engineering Projects

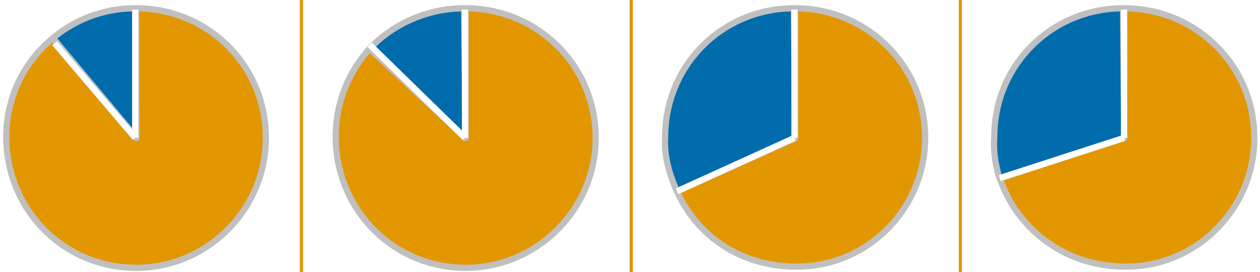




Operating profits and margins improved as the business shrugged off the effects of two poor performing contracts that were completed in F2006

Construction

Revenue — Engineering Projects



	F2007*	H1 2007	F2006	H1 2006
Mining & Industrial	89%	87%	68%	70%
Oil, Gas & Power	11%	13%	32%	30%

** As indicated by current secured order book*

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Construction – SECURED Order Book

Period	Building and Housing	Civil Engineering	Engineering Projects	Total
R millions	Low / Medium margins	Medium margins	Medium / High margins	
Financial year ended 30 June 2006 (Actual)	2 788	1 663	624	5 075
% over-border	27%	65%	67%	44%
Financial year ending 30 June 2007 (forecast)	3 023	2 789	677	6 489
% over-border	28%	70%	74%	51%
Calendar year ending 31 Dec 2007 (forecast)	1 734	2 747	476	4 957
% over-border	8%	79%	42%	50%
Estimated annual capacity	**3 000**	**3 000**	**750**	**6 750**

Notes:

- ***Capacity based on current resources and skills***
- ***Excludes contribution as preferred bidder on King Shaka Airport & Durban Stadium***

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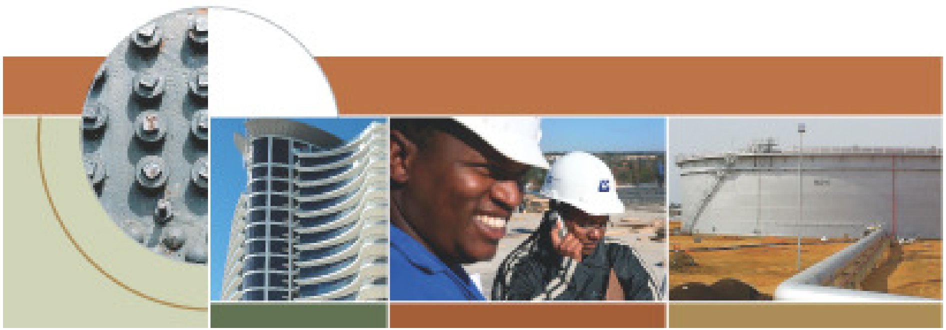
Prospects



Prospects

- **Strong demand in two market sectors:**
  - non-residential
  - residential sector < R1 million housing bracket
  - Group Five is well positioned in both these market sectors
- **Continued strong demand exists in Everite markets**
  - particularly in low cost and affordable residential building market
  - supported by strong refurbishment demand in the mid to upper end of the residential market
- **Margins remain tight in the local building market (particularly in residential)**
  - management will be transferring skills from Building and Housing to Civil Engineering where higher margin work is coming through
  - this will allow Civil Engineering to capitalise on the ever-improving environment in South Africa and Dubai
- **A number of exciting mining and power contracts are being pursued in Africa (Engineering Projects)**

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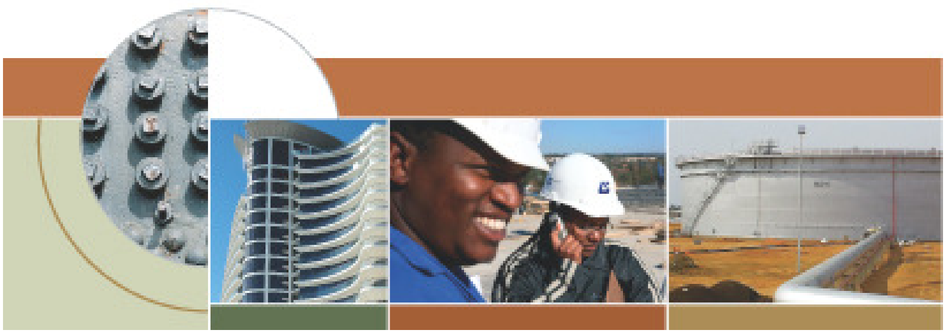
Transition of the CEO's role and the way forward



Achievements under the outgoing CEO

- Building the brand
- Growing capacity and internal infrastructure
- Developing a world-class risk management and systems base
- Mitigating weak home markets - creating an international customer base
- Disposal of under-performing and non-core assets
- Creating a strong team of professionals who have delivered 6 years of consistent earnings growth

CEO focus going forward

- **Making the most of the construction boom from a solid base with a successful team**
- **Revenue enhancement**
  - Eg. regional business, long term revenue streams, group projects
- **Margin enhancement**
  - Move all construction units above 5% margin
  - Vigorous attention to management of construction risk & reward
  - Further investment in skills in project delivery
- **Sustainability**
  - Recruitment, development & retention of skills
  - Differentiation through innovative strategic positioning
  - Continually hone strategy by revisiting:
    - Margin opportunities on existing revenue streams
    - New revenue streams that will be sustainable for the next 5-10+ years
    - Balance between organic and acquisitive growth

Honing of existing Strategy

G5 is continuing its strategy in:

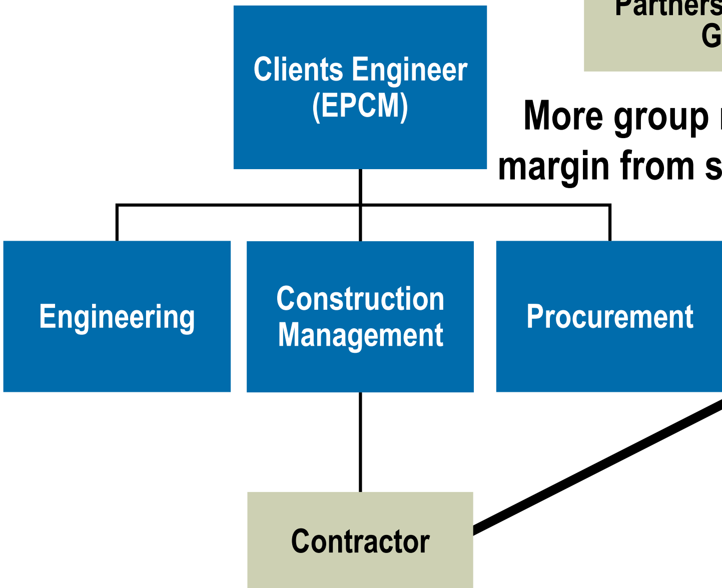
Investments & Concessions	Manufacturing & Materials	Construction
• Expansion into new concession equity and revenue streams, eg. power, infrastructure projects, etc	• Adding repeat income streams aligned to the construction value chain • M&A activity	• Moving up the value chain from Constructor to Project Leader • Market positioning & capacity building

Focused geographic diversification:

- A small share of the cross border markets in Africa, the Middle East and Eastern Europe, carefully chosen and well managed, achieves higher margins
- G5 nevertheless maintains the ability to gear up quickly to take advantage of opportunities as the SA market improves

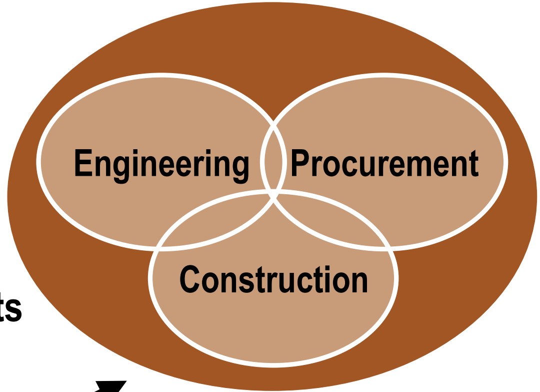
Moving up the construction value chain

From traditional Contractor . . .



Partnerships eg. GE

More group revenue and margin from single projects



. . . to innovative Project Leader

The ability to:

- ***Choose which roles we want in the project (cross-referrals)***
- ***Increase our share of the project***
- ***Margin enhancing and cash generative***

Moving up the construction value chain

Strategy at work:

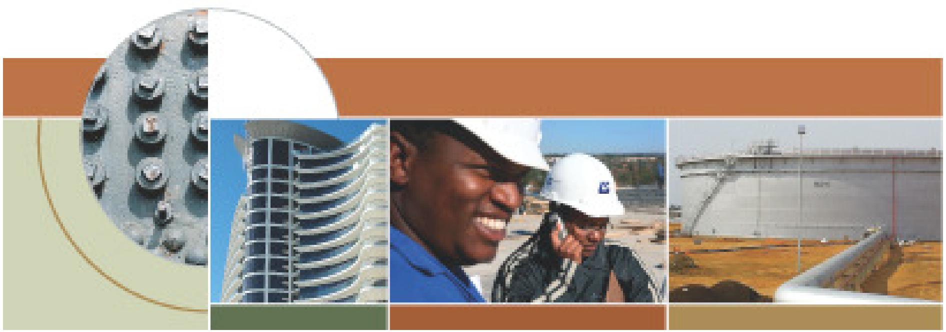
- Preferred Bidder on Durban stadium
- Preferred Bidder on King Shaka Airport
- Secured R400m mining plant project (design and construct)
- Secured R1bn of airport design and construction work in Dubai
- Long term energy partner to General Electric (Africa and Middle East)

Conclusion

- **Group Five is well positioned to take advantage of a new era of opportunity, supported by:**
  - A strong, motivated management team
  - An established presence in the domestic, African, Middle East and Eastern European markets
  - Industry diversification / vertical integration
  - World-class risk management, IT and systems
  - A strategy that allows for flexibility
- **Sector growth looks set to last well beyond 2010**
- **Our objective is sustainable double-digit year-on-year EPS growth**

GROUP FIVE

Questions & Answers



GROUP FIVE

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