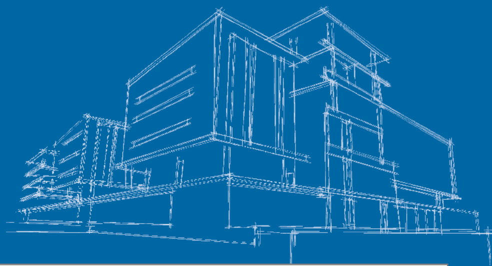
(Incorporated in the Republic of South Africa)
(Registration number 1969/000032/06)
Share code: GRF ISIN: ZAE 000027405
("Group Five" or "the company")

GROUP FIVE
structured ingenuity



AUDITED GROUP RESULTS

for the year ended 30 June 2013

CONTENTS

Revenue

from continuing operations up 27% to R11,1 billion

June 13 = **R11,1 billion**
June 12 = **R8,8 billion**

Operating profit

from continuing operations up 68% to R556 million

June 13 = **R556 million**
June 12 = **R331 million**

Contracting order book

up 5% to R14,2 billion from Dec 2012

June 13 = **R14,2 billion**
Dec 12 = **R13,5 billion**

Net asset value

up 7% to R21,65 per share from Dec 2012

June 13 = **R21,65**
Dec 12 = **R20,16**

Cash

and cash equivalents from continuing operations up R317 million to R2,9 billion from Dec 2012

June 13 = **R2,9 bn**
Dec 12 = **R2,6 bn**

Fully diluted headline earnings per share

from continuing operations up 88% to 333 cents

June 13 = **333 cents**
June 12 = **177 cents**

Earnings per share

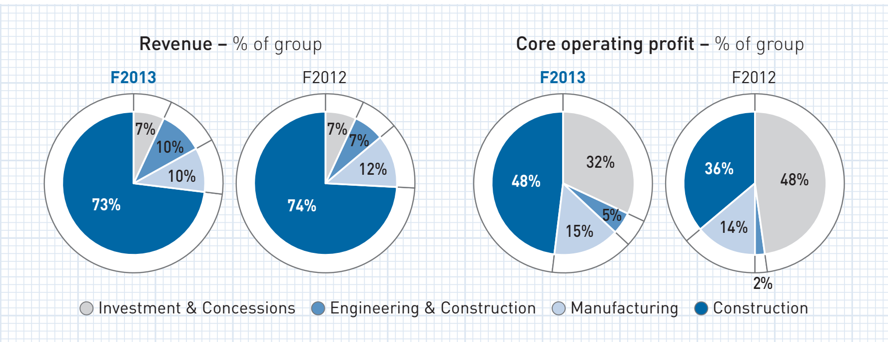
279 cents per share (F2012: loss)

June 13 = **279 cents**
June 12 = **(288) cents loss**

Total dividend per share

for the year up 86% to 67 cents per share

June 13 = **67 cents**
June 12 = **36 cents**



CONDENSED CONSOLIDATED INCOME STATEMENT

for the year ended 30 June 2013

R'000	AUDITED 2013	AUDITED 2012
Revenue – continuing operations	**11 130 863**	8 783 378
Operating profit before fair value adjustments	**469 385**	263 881
Fair value adjustments relating to investment in service concessions	**86 482**	56 652
Fair value adjustments relating to investment properties – net	**–**	10 865
Operating profit	**555 867**	331 398
Share of profit of associates	**10 936**	1 163
Finance cost	**(59 074)**	(79 487)
Finance income	**50 809**	75 687
Profit before taxation	**558 538**	328 761
Taxation	**(211 884)**	(106 032)
Profit after taxation from continuing operations	**346 654**	222 729
Loss for the year from discontinued operations	**(47 796)**	(452 841)
Profit/(loss) for the year	**298 858**	(230 112)
Allocated as follows:		
Equity shareholders of Group Five Limited	**272 651**	(278 405)
Non-controlling interest	**26 207**	48 293
	298 858	(230 112)
Earnings/(loss) per share – [Rand]	**2,79**	(2,88)
Fully diluted earnings/(loss) per share – [Rand]	**2,77**	(2,88)
Earnings per share from continuing operations – [Rand]	**3,28**	1,81
Fully diluted earnings per share from continuing operations – [Rand]	**3,26**	1,80

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2013

R'000	AUDITED 2013	AUDITED 2012
Profit/(loss) for the year	**298 858**	(230 112)
Other comprehensive income		
Exchange difference on translating foreign operations*	**107 856**	68 411
Other comprehensive income for the year	**107 856**	68 411
Total comprehensive income/(loss) for the year	**406 714**	(161 701)
Other comprehensive income/(loss) attributable to:		
Equity shareholders of Group Five Limited	**380 507**	(209 994)
Non-controlling interest	**26 207**	48 293
	406 714	(161 701)

* *With no resultant tax impact. Item that may be reclassified subsequently to profit or loss.*

DETERMINATION OF HEADLINE EARNINGS

for the year ended 30 June 2013

R'000	AUDITED 2013	AUDITED 2012
Attributable profit/(loss)	**272 651**	(278 405)
Adjusted for (net of tax)	**18 474**	389 982
– Net loss on disposal of property, plant and equipment and investment property	**5 405**	3 675
– Impairment of associate/(profit) on disposal of subsidiary	**2 069**	(36)
– Net profit on fair value adjustments on investment property	**–**	(7 720)
– Impairment of non-current assets classified as held for sale	**11 000**	394 063
Headline earnings	**291 125**	111 577

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2013

R'000	AUDITED 2013	AUDITED 2012
ASSETS		
Non-current assets		
Property, plant and equipment and investment property	**950 945**	893 392
Investments – service concessions	**360 684**	296 635
Investments – property developments	**–**	8 716
Other non-current assets	**387 955**	351 243
	1 699 584	1 549 986
Current assets		
Other current assets	**4 039 130**	3 498 030
Bank balances and cash	**2 957 148**	2 268 226
	6 996 278	5 766 256
Non-current assets classified as held for sale	**108 177**	272 928
Total assets	**8 804 039**	7 589 170
EQUITY AND LIABILITIES		
Capital and reserves		
Equity attributable to equity holders	**2 154 544**	1 808 736
Non-controlling interest	**71 855**	67 968
	2 226 399	1 876 704
Non-current liabilities		
Interest-bearing borrowings	**684 982**	613 464
Other non-current liabilities	**116 663**	113 126
	801 645	726 590
Current liabilities		
Other current liabilities	**5 744 941**	4 807 515
	5 744 941	4 807 515
Liabilities associated with non-current assets classified as held for sale	**31 054**	178 361
Total liabilities	**6 577 640**	5 712 466
Total equity and liabilities	**8 804 039**	7 589 170

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended 30 June 2013

	AUDITED	
R'000	2013	2012
Cash from operations before working capital changes	694 579	424 692
Working capital changes	252 795	154 460
Cash generated from operations	947 374	579 152
Finance cost – net	(8 265)	(1 514)
Taxation and dividends paid	(172 416)	(148 469)
Cash generated by/(utilised in) operating activities (discontinued operations)	5 393	(18 290)
Net cash generated by operating activities	772 086	410 879
Property, plant and equipment and investment property – net	(169 363)	(200 295)
Investments – net	(20 434)	(11 653)
Cash generated from investing activities (discontinued operations)	55 908	19 184
Net cash utilised in investing activities	(133 889)	(192 764)
Cash utilised in financing activities (continued operations)	(29 948)	(225 284)
Cash utilised in financing activities (discontinued operations)	(40 174)	(44 882)
Net cash utilised in financing activities	(70 122)	(270 166)
Effects of exchange rates on cash and cash equivalents	141 974	76 205
Net increase in cash and cash equivalents	710 049	24 154
Cash and cash equivalents at beginning of year	2 258 933	2 234 779
Cash and cash equivalents at end of year	2 968 982	2 258 933
Included in cash and cash equivalents per the statement of financial position	2 957 148	2 268 226
Included in non-current assets classified as held for sale	11 834	(9 293)
	2 968 982	2 258 933

CAPITAL EXPENDITURE AND DEPRECIATION

for the year ended 30 June 2013

	AUDITED	
R'000	2013	2012
• Capital expenditure for the year	347 423	338 922
• Capital expenditure committed or authorised for the next year	311 167	393 590
• Depreciation for the year	244 142	165 356

CONDENSED CONSOLIDATED SEGMENTAL ANALYSIS

for the year ended 30 June 2013

R'000	% change	AUDITED 2013	AUDITED 2012
REVENUE			
Investments and Concessions	13	**728 517**	647 739
Engineering & Construction	85	**1 170 220**	631 180
Manufacturing	4	**1 061 257**	1 024 329
Construction	26	**8 170 869**	6 480 130
Building and Housing	57	**3 236 000**	2 065 972
Civil Engineering	7	**3 217 121**	2 997 747
Projects	21	**1 717 748**	1 416 411
Total revenue	27	**11 130 863**	8 783 378

R'000	2013 core margin %	% change	AUDITED 2013	AUDITED 2012
OPERATING PROFIT				
Investments and Concessions	23.9	13	**174 352**	153 795
Engineering & Construction	2.4	468	**28 521**	5 021
Manufacturing	7.9	80	**83 848**	46 490
Construction	3.3	128	**265 563**	116 294
Building and Housing	1.2	(23)	**40 332**	52 133
Civil Engineering	3.4	391	**109 287**	(37 541)
Projects	6.7	14	**115 944**	101 702
Total revenue	5.0	72	**552 284**	321 600
Adjustments for non-operational items				
Pension fund valuation surplus			**29 579**	15 790
Izakhiwo Imfundo Bursary Trust: share-based payment expense			**(16 813)**	–
Impairment of investment in associates			**(2 069)**	(1 399)
Remeasurement of employment obligation			**(7 114)**	(4 593)
Operating profit per income statement			**555 867**	331 398

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2013

R'000	AUDITED 2013	AUDITED 2012
Balance at 1 July	**1 876 704**	2 265 695
Net profit/(loss) for the year	**298 858**	(230 112)
Other comprehensive profit for the year	**107 856**	68 411
Share options expense	**40 449**	29 093
Share buy back/cancellation of shares	**(30 000)**	(117 945)
Distribution to non-controlling interest	**(22 320)**	(97 890)
Dividends paid	**(45 148)**	(40 548)
Balance at 30 June	**2 226 399**	1 876 704

STATISTICS

as at 30 June 2013

	AUDITED 2013	AUDITED 2012
Number of ordinary shares	**99 506 412**	96 600 761
– Shares in issue	**111 149 510**	110 645 521
– Less: Shares held by share trusts	**(11 643 098)**	(14 044 760)
Weighted average shares ('000s)	**97 775**	96 545
Fully diluted weighted average shares ('000s)	**98 402**	96 946
Total operations		
Earnings/(loss) per share – R	**2,79**	(2,88)
Headline earnings per share – R	**2,98**	1,16
Fully diluted earnings/(loss) per share – R	**2,77**	(2,88)
Fully diluted headline earnings per share – R	**2,96**	1,15
Continuing operations		
Earnings per share from continuing operations – R	**3,28**	1,81
Headline earnings per share from continuing operations – R	**3,35**	1,78
Fully diluted earnings per share from continuing operations – R	**3,26**	1,80
Fully diluted headline earnings per share from continuing operations – R	**3,33**	1,77
Dividend cover (based on earnings per share)	**4.2**	–
Dividends per share (cents)	**67,0**	36,0
– Interim	**32,0**	22,0
– Final	**35,0**	14,0
Net asset value per share – R	**21,65**	18,72
Net debt to equity ratio	**–**	–
Current ratio	**1.2**	1.2

COMMENTARY

INTRODUCTION

Against ongoing tough markets, the group continued to implement the conservative approach previously adopted in terms of both the quality of the order book secured and its philosophy towards cash preservation to fund activity which will support future profit growth.

It is thus encouraging to see an improvement in the Contracting order book, with a good cash position supporting this strategy. The overall group earnings delivered during the period demonstrates an improved performance over the comparable reporting period, with an increase in revenue traded and an overall operating margin percentage increase.

The earnings for the period are a consolidation of the following key factors:

- An increase in earnings as a result of a pension fund surplus of R29,6 million, with R12 million recorded in H1 F2013 and a further R17,6 million recorded in H2 F2013.
- A charge against earnings of R25,0 million in H2 F2013 as a result of the implementation of the group's revised Broad-Based Black Economic Empowerment (BBBEE) ownership transaction approved by shareholders during this financial year.
- Pre-disposal operating losses of R36,8 million (net of tax), in line with forecasts and guidance provided, and a R11,0 million impairment incurred to sell the remaining Construction Materials' business (reported and recorded in H1 F2013).
- A charge against earnings for a possible administrative penalty to be levied by the Competition Commission South Africa.
- In Construction:
  - The weak domestic buildings market affected operating margins in the Buildings and Housing segment as guided
  - Losses of R50,8 million (H1 F2013: R33 million) (in line with forecasts and guidance provided) from the Middle East deflated an otherwise robust Civil Engineering segmental performance
  - A solid performance was achieved by the Projects segment following continued strong activity in African mining resources
- Growth in the new Engineering & Construction cluster and consistent trading results although this cluster is in early stage of delivery on contracts
- Robust earnings delivery from the group's Manufacturing cluster
- Continued strong performance by Investments and Concessions with additional European toll road operations contracts awarded in the period. This offset delayed start-ups in African toll contracts.
- Fair value upwards adjustments of R86,5 million (H1 F2013: R29,1 million, F2012: R67,5 million) in the Investments and Concessions portfolio.

FINANCIAL PERFORMANCE

Headline earnings (HEPS) of 298 cents per share represents an increase of 156.9%, and fully diluted HEPS (FDHEPS) of 296 cents per share an increase of 157.4%, compared to HEPS and FDHEPS of 116 and 115 cents per share respectively in F2012.

Earnings per share (EPS) was 279 cents per share and fully diluted EPS (FDEPS) was 277 cents per share compared to a loss of 288 cents per share in F2012.

The difference between earnings and headline earnings is mainly as a result of an impairment charge of R11,0 million (net of tax) on assets, reflected as non-current assets classified as held for sale on the group's statement of financial position, relating to the disposal of the Construction Materials businesses.

Group revenue from continuing operations increased by 26.7% from R8,8 billion to R11,1 billion as a result of increased activity in all of the group's businesses.

All of the group's businesses, with the exception of the Building and Housing segment, delivered increased operating results. This resulted in the group's core operating profit increasing by 71.7% and core operating margin percentage improved to 5.0% for the full year (F2012: 3.7%, H1 F2013: 5.1%).

Not included in the core operating profit above, but included in earnings, is a surplus on the group's pension fund of R29,6 million (H1 F2013: R12,0 million and F2012: R15,8 million) as a result of an actuarial valuation assessment. This is offset by a share-based payment expense of R25,0 million in H2 F2013 as a result of the implementation of the group's revised BBBEE ownership transaction which was approved by shareholders during the year under review.

Included in operating profit is fair value net upward adjustments of R86,5 million (F2012: R56,6 million, H1 F2013: R29,1 million) relating to the group's interests in Eastern European road transport concessions. This positively affected the group's results in the year.

Group total operating margin increased to 5.0% (F2012: 3.8%, H1 F2013: 5.3%). In line with expectations, net finance cost of R8,3 million were recorded for the period compared to R3,8 million in the prior year as a result of a year-on-year reduction in other finance income earned. The effective tax rate of 38% (F2012: 32%) was higher than the South African statutory tax rate of 28%. This was due to the group adopting a prudent approach in assessing tax positions, underprovision of taxation liabilities in the prior year and, to a lesser extent, profits realised in jurisdictions with higher tax rates than South Africa, which was offset by profits earned in jurisdictions with lower taxation rates.

FINANCIAL POSITION

It is pleasing to note that the group's statement of financial position continues to be sound, with a nil net gearing ratio and an increase in bank and cash balances to R2,9 billion as at 30 June 2013 (30 June 2012: R2,3 billion and 31 December 2012: R2,6 billion).

The statement of financial position continues to reflect the net remaining investment in the Construction Materials businesses within non-current assets classified as held for sale. In addition to the impairment on the sale of these assets mentioned earlier, an operating loss for the period from these discontinued operations of R36,8 million (net of tax) was recorded.

CASH FLOW

The group generated R694,6 million cash from operations before working capital changes. In addition, it generated R252,8 million cash from working capital changes, resulting in a net cash inflow from operations of R772,1 million after settlement of taxation liabilities of R127,3 million and paying dividends of R45,1 million. After a net cash investment of R221,6 million in plant and equipment, R52,2 million proceeds received on disposal of investment property and net repayment of liabilities of R13,8 million, the group generated an increase in cash of R710 million. The improvement in working capital was as a result of an increase in excess billings over work performed, as well as a reduction in work in progress balances.

DIVIDEND

The group has previously disclosed that the company has adopted an approximate four times basic earnings per share dividend cover policy. This policy is subject to review on a semi-annual basis, prior to dividend declaration, as distributions will be influenced by business growth, acquisition activity, or movements in earnings as a result of fair value accounting adjustments. In line with this policy, a dividend for this period of 35 cents per share (H2 F2012: 14 cents) has been declared. The full year dividend for the year is 67 cents (F2012: 36 cents). The dividend policy therefore remains unchanged, based on the medium term business outlook and the availability of liquid resources.

BUSINESS COMBINATIONS

There were no business combinations during the current reporting period.

The group progressed with the disposal of its discontinued Construction Materials businesses. At 30 June 2012, the group disclosed that it had concluded sale agreements on two of its Construction Materials businesses. During the first half of this financial year, proceeds from these sales were received and an additional business sold. During H2 F2013, a further business was transferred to its new owner and cash received. The sale transaction for the last business has been agreed and is in the process of implementation.

As previously communicated, approval from the Department of Mineral Resources (DMR) is awaited on the three quarry sales mentioned above in order to finally fulfil the sale conditions precedent. However the sale agreements reached with the new owners allowed for the transfer of operational control immediately on concluding the sale agreements, including transfer of operating profits and losses which was achieved on the two quarries sold in F2013.

SHAREHOLDING

The early exit of the group's original BBBEE ownership transaction shareholder, Mvelaphanda, from the group's ownership structure, along with the implementation of a Black Professionals Staff Trust and Izakhiwo Imfundo Bursary Trust, was approved by shareholders on 27 November 2012. The transaction was concluded on 16 January 2013 following the fulfilment of all conditions precedent.

The financial effects of the revised transaction were therefore charged against income from H2 F2013.

The share-based payment benefit provided to the Izakhiwo Imfundo Bursary Trust was recognised as a non-recurring equity settled share-based payment. The full charge of R16,8 million (originally estimated at R12,7 million as per the circular to shareholders) was recognised fully on grant date in H2 F2013.

The estimated share-based payment benefit with respect to the Black Professionals Staff Trust at year-end date is R142,2 million (R71,4 million originally estimated as per the circular to shareholders) and is recognised as a cash-settled share-based payment transaction over the life of the scheme from the effective date of this transaction to the assumed end date of November 2020. An amount of R8,2 million was charged in H2 F2013.

The implementation of the Izakhiwo Imfundo Bursary Trust portion of the revised transaction has resulted in an increase in the group's number of shares in issue by two million shares from grant date. The implementation of the Black Professionals Staff Trust at the effective date resulted in no increase in the weighted average number of shares in issue. However, this must be reassessed at each reporting period.

INDUSTRY MATTERS

As announced on SENS on 1 February 2011, the group adopted a proactive stance from 2008 in respect of the ongoing investigation by the Competition Commission into alleged anti-competitive behaviour within the construction industry. The board and management of Group Five identified in 2008 that the company operated within a collusive industry to which it had contributed through incidences of anti-competitive behaviour. It took immediate and decisive steps to extract the necessary information of such behaviour from its employees and used this to implement corrective action internally.

As previously communicated, the group secured conditional leniency from the Commission in terms of the Commission's Corporate Leniency Policy in return for full disclosure of all matters that the group was able to uncover during its internal investigation process. The Commission launched its "Fast-Track" process in 2011, mainly as a result of the group's earlier co-operation. This triggered wider industry participation. As outlined by the Commission in its media release on its investigation findings in June 2013, Group Five is the company with the highest number of projects that received corporate leniency, which demonstrates the group's co-operation and comprehensive and timeous disclosure.

The group has consistently advised stakeholders that, although the group received conditional leniency, a zero fine could not be guaranteed until the full industry investigation was concluded.

In late June 2013, it came to the group's attention, based on evidence intimated by the Commission and their actions taken, that the Commission is seeking a proposed administrative penalty on four projects, in which the group was implicated and for which no leniency was granted. The group had no evidence of its collusive involvement and could thus not responsibly accede to the penalties and chose not to settle hastily. Management remains engaged with the Commission to responsibly resolve these outstanding implicated projects, conscious of its accountability to conclude this matter for the benefit of all its stakeholders. The group has raised a provision for a penalty as the possibility of an administrative penalty now materialised and its substantiation and measurability needed to be considered. Supported by its internal risk assessment and independent senior counsel opinion, the group has made provision for a potential fine, the value of which is not disclosed at this time, but the effects thereof is included in the reported results.

Management and the board of Group Five wish to reinforce the statements made over the last four years, which consistently expressed our deep regret at the anti-competitive behaviour we found to be present in our business and in the wider industry. We offer our unreserved apology and we understand that the country demands an ethical, competitive and transformed construction industry. As the whistle blower, and the construction sector's most empowered listed company, the group has been a catalyst for change towards these goals. Management's commitment in pursuit of a transformed industry is to:

- continue to drive the group's ethics and compliance programmes
- continuously cycle induction and training for all employees
- ensure adherence to the group's enhanced risk review processes, which specifically include:
  - pre-bid review on contracts with respect to compliance with competition legislation
  - CEO's approval on the establishment of all joint venture arrangements
- work with and through industry bodies, government and the group's peers to create conditions allowing for wider and equal participation in the industry from aspirant black construction entrepreneurs
- support the national infrastructure agenda

There has been substantial reputational damage to the sector. Management is committed to engaging with stakeholders to assist the industry to regain the trust required to deliver much-needed national infrastructure.

ESTIMATES AND CONTINGENCIES

The group makes estimates and assumptions concerning the future, particularly with regard to construction contract profit taking, provisions, arbitrations and claims and various fair value accounting policies. Of particular relevance for this reporting period, as discussed, is that the group has made provision for an estimated potential administrative penalty to be levied by the Competition Commission, the value of which is not disclosed at this time, but the effects thereof is included in the reported results.

Accounting estimates and judgments can, by definition, therefore only approximate the actual results and the actual results may differ from such estimates. Estimates and judgments 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.

Stakeholder attention is drawn to the contingent risk of civil claims possibly being lodged against the group, and all construction companies who have been party to the anti-competitive behaviour, following the Competition Commission release of its findings in June 2013 and the public interest reported in recent months. To date no claim has been instituted against the group.

Total financial institution guarantees given to third parties on behalf of subsidiary companies amounted to R4 369 million as at 30 June 2013, compared to R4 310 million as at 30 June 2012 and R4 596 million as at 31 December 2012.

OPERATIONAL REVIEW

Group

The group provides both the group's total operating margins, as well as the core operating margins from continuing operations as per the segmental report.

The core operating margin is the total operating margin adjusted for non-core/headline transactions such as pension fund surpluses, profit/loss on sale or impairment of subsidiaries, re-measurement of employment obligations and share-based payment expense on the Izakhiwo Imfundo Bursary Trust, which is not controlled by the group.

The core operating margin reflects the underlying operating performance.

Both margins exclude the impairment of non-current assets classified as held for sale, but include the fair value upward and downward adjustments in Investments and Concessions and profit/loss on sale of property, plant and equipment and investment property, as these are within the control of the cluster, as well as the estimate for a potential administrative penalty that could be levied by the Competition Commission.

	YEAR ENDED 30 JUNE	
	Audited F2013	**Audited F2012**
Revenue – continuing operations (R'000)	**11 130 863**	8 783 378
Total operating margin %	**5.0**	3.8
Core operating margin %	**5.0**	3.7

The group's underlying businesses performed in line with management expectations and in accordance with the market guidance provided. As expected, the period's results were impacted by losses in the Construction Materials cluster, disclosed as a discontinued operation, as well as losses in the Middle East, reported within the Civil Engineering results. In addition, the Construction cluster's results were affected by a provision raised for an estimated potential administrative penalty that could be levied by the Competition Commission.

Investments and Concessions

(including Infrastructure Concessions and Property Developments)	YEAR ENDED 30 JUNE Audited F2013	Audited F2012
Revenue (R'000)	**728 517**	647 739
Total operating margin %	**23.8**	23.7
Core operating margin %	**23.9**	23.7

Investments and Concessions consists of transport concessions and property developments. This cluster contributed 6.5% (F2012: 7.4%) to group revenue. Revenue, which consists primarily of fees for the operation and maintenance of toll roads, increased by 12.5% from R647,7 million to R728,5 million. The core operating profit margin increased slightly from 23.7% to 23.9%, with core operating profit of R174,3 million (F2012: R153,8 million). The operating profit includes upward fair value adjustments of R86,5 million (F2012: R67,5 million).

This cluster demonstrated a strong performance despite the continued effects of the deep recession across the European region and the absence of new concessions awards in South Africa. In spite of South African policy uncertainty and delays in awards in domestic concessions and PPP activities and the economic pressures in Europe, Infrastructure Concessions performed ahead of expectations as a new tolling and operations contract came on line in Eastern Europe. There has been progress on some of the delayed South African public sector building PPPs with some new projects under consideration. The outcome of the government's deliberations on the resolution of the Gauteng freeway tolling impasse, the unresolved dispute of the N1-N2 Winelands concession and the work being done by the Presidential Infrastructure Coordinating Commission will be crucial in providing more clarity on the outlook for transport concessions. African concession opportunities remain attractive, with tolling on the group's Zimbabwe roads project having commenced and further new projects under development in transport projects and power. The group continues to progress its strategy of disinvestment from the traditional residential sector in favour of securing A-grade commercial and retail property development positions with new projects starting in South Africa and in West Africa in line with the group's African strategy.

Engineering & Construction

	YEAR ENDED 30 JUNE Audited F2013	Audited F2012
Revenue (R'000)	**1 170 220**	631 180
Total operating margin %	**2.6**	1.0
Core operating margin %	**2.4**	0.8

In prior years, Projects and Engineering & Construction (E+C) were consolidated into a single segment called Engineering and reported within the Construction cluster. With effect from 1 July 2012 the group was restructured with the E+C business now reported as a separate cluster from Construction and the Projects business remaining as a segment within the Construction cluster. The E+C cluster contributed 10.5% (F2012: 7.2%) to group revenue.

The E+C business was established to deliver technology based EPC, multi-disciplinary project management and construction, operations and services solutions to selected sectors such as power, oil and gas and water. Some of the target markets have been slow to develop, although the demand in the long term is significant. The group is encouraged by the private sector's commitment to renewable energy. During the year the E+C business secured three full EPC power plant contracts in wind and solar for Window 1 of the Renewable Energy Independent Power Producer Programme (REIPP), along with the long term operations and maintenance contracts on these plants, and a further contract in Window 2. The oil and gas business stream has seen an increase in its project and long term services order book. In addition, it is pleasing to report that the group's first nuclear contract was secured for construction work at Eskom's Koeberg nuclear power station. Not included in these segmental results are the benefits of the group's income from associate of R2,9 million through its investment in Lesedi Nuclear Services which reports into E+C and which contributed to the successful award of the Koeberg contract.

During the period, revenue increased by 85.4% from R631,2 million (100% local) to R1,2 billion (88% local). This resulted in a core operating profit margin improving to 2.4% (F2012: 0.8%) Included within these positive trading results are the costs related to its investment in future opportunities and capacity building in nuclear readiness within the E+C business.

The secured one-year order book stands at R2,5 billion (91% local) (F2012: R1,0 billion and 71% local).

The full secured order book stands at R3,9 billion (85% local) (F2012: R1,5 billion and 66% local).

Manufacturing

	YEAR ENDED 30 JUNE	
	Audited F2013	Audited F2012
Revenue (R'000)	**1 061 257**	1 024 329
Total operating margin %	**7.3**	4.2
Core operating margin %	**7.9**	4.5

Manufacturing consists of the fibre cement building products business, Everite, as well as steel fabrication businesses BRI and Group Five Pipe. The Manufacturing cluster contributed 9.5% (F2012: 11.7%) to group revenue. Manufacturing produced pleasing results in a market where both traditional private and public sector conditions appear to have bottomed.

Revenue increased 3.6% from R1,0 billion in F2012 to R1,1 billion. The reported core operating profit for the year was R83,8 million. This was 80.4% higher than the prior year of R46,5 million, resulting in a core operating margin of 7.9% (F2012: 4.5%). An increase in volumes traded in Group Five Pipe and BRI during the year, along with an improvement in production processes and factory output following implementation of some of the capital expenditure approved for the business, lifted the Manufacturing performance from the last reported results. The modular housing systems business Advanced Building Technologies (ABT) is achieving increased sales as the technology is accepted in more applications. Group Five Pipe delivered good returns with an increased order book. The comparable reporting period also includes closure costs of the steel fabrication business, which were incurred in the first half of H1 F2012.

Construction

	YEAR ENDED 30 JUNE	
	Audited F2013	Audited F2012
Revenue (R'000)	**8 170 869**	6 480 130
Total operating margin %	**3.4**	2.0
Core operating margin %	**3.3**	1.8

Construction continued to be the largest cluster in the group, contributing 73.4% to group revenue (F2012: 73.8%). Construction revenue increased by 26.1% from R6,5 billion to R8,2 billion and core operating profit increased by 128.4% from R116,3 million to R265,6 million. The overall Construction core operating profit margin percentage was 3.3% (F2012: 1.8%). Over-border work contributed 36% (F2012: 29%) to Construction revenues. Construction performance was impacted somewhat by end-of contract close-out losses and overhead costs in the Middle East as well as the provision for a estimated potential administrative penalty that could be levied by the Competition Commission. The group also purposefully continued to carry costs related to its investment in future opportunities and capacity building in local and new over-border transport and real estate PPPs, as well as geographic expansion.

Building and Housing

	YEAR ENDED 30 JUNE	
	Audited F2013	Audited F2012
Revenue (R'000)	**3 236 000**	2 065 972
Total operating margin %	**1.3**	2.8
Core operating margin %	**1.2**	2.5

The private building sector remains extremely weak. The group has, however, seen an increase in the volume of work coming into the local market and has gained market share off its delivery reputation. This is reflected in an increased order book in this segment. Although underlying operating margins have not worsened, they remain thin. Building and Housing managed to partially mitigate this impact through the contribution of selected public sector building contracts, an improvement in the housing business, as well as improved execution and supply chain savings. However, as guided in November 2012 and again in H2 2013, this was not sufficient to prevent a decrease in operating margins. Building and Housing revenue increased by 56.6% from R2,1 billion (79% local) to R3,2 billion (95% local). The segment reported a 22.6% decrease in core operating profit from the prior comparable period, from R52,1 million to R40,3 million. This resulted in the overall core operating margin percentage decreasing from 2.5% to 1.2%.

Government's promised new infrastructure spend programme has not yet materialised. However, there has been progress on some of the delayed public sector building PPPs, with new projects under consideration. The coastal region performed well, although margins were constrained. In the short term, the Building business will be under pressure while markets are further developed and while new awards against tenders under adjudication are awaited. The Housing business has, however, seen a recent improvement in domestic mining and affordable and RDP housing work load.

The secured one-year order book stands at R4,4 billion (98% local) (F2012: R2,8 billion and 94% local).

The total secured order book stands at R5,6 billion (98% local) (F2012: R3,6 billion and 95% local).

Civil Engineering

	YEAR ENDED 30 JUNE	
	Audited F2013	Audited F2012
Revenue (R'000)	**3 217 121**	2 997 747
Total operating margin %	**3.5**	(1.1)
Core operating margin %	**3.4**	(1.3)

Civil Engineering includes the group's civil engineering activities in South Africa, the rest of Africa and the Middle East. Civil Engineering reported a 7.3% increase in revenue from R3,0 billion (83% local) to R3,2 billion (57% local), while core operations returned to profitability, generating a profit of R109,3 million for the year (F2012: R37,5 million loss). The Civil Engineering result was again impacted by revenue and margin shifting out in time due to delayed contracts, as well as scope changes on several large South African contracts. The underlying South African and African Civil Engineering business delivered well on contracts executed in the period. In the Middle East, good progress has been made in the group's operational withdrawal from the region, with final contract close-outs and a reduction in debtors outstanding resulting in a significant reduction in the risk profile, but, as guided, with some close out costs incurred. Tendering activity is high and increasing, both locally and in Africa. The business is proactively mitigating domestic market conditions by progressively rebuilding its African order book in geographies in which the group has prior operating experience and where growth opportunities are stronger.

Civil Engineering's secured one-year order book stands at R3,1 billion (50% local) (F2012: R3,3 billion and 43% local).

The full order book is at R3,5 billion (56% local) (F2012: R4,4 billion and 43% local).

Projects

	YEAR ENDED 30 JUNE	
	Audited F2013	**Audited F2012**
Revenue (R'000)	**1 717 748**	1 416 411
Total operating margin %	**6.9**	7.4
Core operating margin %	**6.7**	7.2

Projects continues to experience good activity in sub-Saharan African mining resources markets. In the short term, however, African mining expansions have slowed, with some mining investments placed on hold and others downsized. This is mitigated, somewhat, as the business expands its experience in more minerals categories, technologies and geographies. In addition, cross-group co-operation continues as larger multi-disciplinary projects become more prevalent. During the year, revenue increased by 21.3% from R1,4 billion (37% local) to R1,7 billion (19% local). Core operating profit increased by 14.0% from R101,7 million to R115,9 million. The core operating profit margin percentage decreased to 6.7% (F2012: 7.2%).

The secured one-year order book stands at R1,1 billion (41% local) (F2012: R1,2 billion and 19% local).

The full secured order book stands at R1,2 billion (37% local) (F2012: R1,8 billion and 37% local).

PROSPECTS

The markets in which the group currently trades still remain comparatively weak. However the group's strategies and positioning in new and traditional target markets have mitigated some of this continued weakness.

The group's total secured Contracting order book (Construction and Engineering & Construction) stands at R14,2 billion (June 2012: R11,3 billion and December 2012: R13,5 billion).

In addition, the group reported R4,8 billion in secured operations and maintenance contracts (June 2012: R4,8 billion and December 2012: R4,6 billion).

The overall group reported order-book at June 2013 thus stands at R19,0 billion. (June 2012: R16,1 billion and December 2012: R18,1 billion).

The value of the group's target opportunity pipeline stands at R179 billion, which is up from R148 billion at June 2012 and R124 billion at December 2012, with R102 billion of this pipeline currently in tender and pre-tender stage. The pipeline indicates a strong focus on the sectors of power, transport and mining, with water improving.

The Investments and Concessions cluster is delivering annuity business growth, with group-wide opportunities in active infrastructure sectors in increasing geographies. Manufacturing has been refocused and its performance is improving on higher sales volumes to a broadening number of markets. The disposal of the loss-making Construction Materials cluster has resulted in the reduction in cash drain from this part of the group. The Middle East operations have been substantially reduced and contract close-outs are progressing well, thus further reducing the drag on group performance.

Based on the group's positioning in the key infrastructure growth sectors of power, mining, oil and gas, water and transport and in the concessions and PPP market for specific projects, underpinned by the group's strong cash position, management cautiously expect a further recovery in group activity levels. This should support continued improvement in the group's trading performance in F2014.

DIVIDEND DECLARATION

On 2 August 2013, the directors declared a gross dividend of 35 cents per ordinary share (35 cents per ordinary share net of dividend withholding tax and STC credits) (2012: 14 cents). This brings the total dividend for the year to 67 cents. (2012: 36 cents).

The dividend has been declared from income reserves.

In terms of the new Dividends Tax effective 1 April 2012, the following additional information is disclosed:

- The dividend is subject to dividend withholding tax at 15%. In determining dividend withholding tax, STC credits must be taken into account.
- The STC credits utilised per share amounts to 35 cents per share.
- There is no tax payable which results in a net dividend of 35 cents per share to shareholders who are not exempt from dividends withholding tax.
- The amount of shares in issue at the date of this declaration is 111 149 510 (99 506 412 exclusive of treasury shares) and the company's tax reference number is 9625/077/71/5.

In order to comply with the requirements of STRATE, the relevant details are:

Event	Date
Last day to trade (cum-dividend)	Thursday, 19 September 2013
Shares to commence trading (ex-dividend)	Friday, 20 September 2013
Record date (date shareholders recorded in books)	Friday, 27 September 2013
Payment date	Monday, 30 September 2013

No share certificates may be dematerialised or rematerialised between Friday, 20 September 2013 and Friday, 27 September 2013, both dates inclusive.

BASIS OF PREPARATION

These consolidated condensed annual financial statements for the year ended 30 June 2013 have been prepared in accordance with the framework concepts, the recognition and measurement criteria of International Financial Reporting, Standards ("IFRS"), the SAICA Financial Reporting guides as issued by the Accounting Practices Committee and the financial pronouncements as issued by the Financial Reporting Standards Council, and the information required by International Accounting Standard 34: Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"), the JSE Listings Requirements and the requirements of the Companies Act of 2008, as amended. The consolidated condensed annual financial information should be read in conjunction with the annual financial statements for the year ended 30 June 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

The significant accounting policies and methods of computation are consistent in all material respects with those applied in the previous period.

These results have been audited by the independent accounting firm, PricewaterhouseCoopers Inc. Their unmodified audit report is available for inspection at the group's registered office.

BOARD CHANGES

Baroness Lynda Chalker retired from the group's board of directors at the annual general meeting held on 6 November 2012 and OA Mabandla resigned from the group's board of directors on 6 May 2013. We thank both directors for their valuable contribution to the board and specifically thank Baroness Chalker for her significant involvement during her 12 years as director.

NOTICE OF ANNUAL GENERAL MEETING

The group's integrated annual report has been posted to shareholders and it is also available on the group's web site at **www.groupfive.co.za** together with additional supplementary information to the report. Notice is hereby given that the annual general meeting of the shareholders of the company will be held at the registered office of Group Five, 371 Rivonia Boulevard, Rivonia on Tuesday, 5 November 2013 at 11:00. The board of directors of the company have set Friday, 25 October 2013, as the record date for determining which shareholders are entitled to participate in and vote at the annual general meeting.

ACKNOWLEDGMENTS

The group wishes to recognise the hard work and commitment of its employees.

On behalf of the board

MP Mthethwa
Chairperson

MR Upton
Chief Executive Officer

2 August 2013

Board of directors: P Mthethwa * (Chairperson), MR Upton (CEO), CMF Teixeira (CFO), LE Bakoro*, Dr JL Job*, SG Morris*, KK Mpinga*•, DDS Robertson*†

** (Non-executive director) † (British) • (DRC)*

Transfer secretaries: Computershare Investor Services (Pty) Ltd, 70 Marshall Street, Johannesburg 2001

Please visit our website: www.groupfive.co.za

STUDIO⑤

GROUP FIVE
structured ingenuity

371 Rivonia Boulevard, Rivonia
PO Box 3951, Rivonia 2128
South Africa
Tel: +27 11 806 0111
0860 55 55 56
Fax: +27 11 803 5829
email: info@groupfive.co.za

www.groupfive.co.za