UNAUDITED INTERIM GROUP RESULTS

for the six months ended 31 December 2017

17

GROUP FIVE

GROUP FIVE

MANAGEMENT FOCUS AREAS – PROGRESS

Key areas of focus for F2018*	Progress
▪ Stem contract losses & curb margin erosion ▪ Manage risk & performance effectively	▪ Excl. Kpone improved but not to satisfactory levels
▪ Manage market cyclicality & decrease fixed unrecovered costs – Right size overheads & capacity	▪ Management of cycles & holding costs addressed by – Restructuring initiatives implemented & – Revised strategy
▪ Adherence to correct procedures & systems for estimating, pricing, planning & execution	▪ Stricter review mechanisms applied but more work needed;
– Accountability: consequence management	– Kpone: 2 senior execs demoted & 1 removed – Similar changes in Construction cluster & EPC – Those not adhering to policy removed from group
– Remuneration to drive performance	– Long term incentive scheme being overhauled – more share-based focused – New performance management system starts 1 Jul 18
– Communication, transparency	– Monthly staff addresses and focus groups
▪ Leverage Aberdeen relationship to grow Concessions	▪ In progress
▪ Evaluate strategy/clusters/businesses/asset base for acceptable shareholder returns	▪ Largely complete
▪ Execute VRP transaction (weigh optimal execution)	▪ Corporate finance activity underway; regulatory bodies informed; stabilising construction first
▪ Address 2020 expiration of B-BBEE transaction	▪ Addressing through VRP

** As reported with F2017 results release*

FINANCIAL SUMMARY

	H1 F2018 unaudited	H1 F2017 unaudited *	H2 F2017 unaudited *
Revenue – Rm *from continuing operations*	4 981	5 825	4 934
Operating loss – Rm	(775)	(339)	(315)
HEPS – Rand	(7,81)	(3,10)	(5,43)
Fully diluted HEPS – Rand	(7,81)	(3,09)	(5,44)
EPS – Rand	(7,73)	(3,02)	(5,27)
Fully diluted EPS – Rand	(7,73)	(3,02)	(5,27)
Dividends per share – cents	-	14,0	-

Headline earnings (net of tax) adjusted for:	H1 F2018	H1 F2017	H2 F2017
fair value gain adjustment on an investment property held by associate	R2,1m	R6,2m	R11,2m
net loss on disposal & impairment of an investment in associate	-	-	(R451k)
profit on disposal of property, plant & equipment	R6,5m	R1,8m	R6,1m

** Restated for the application of IFRS 5 – Non-current asset held for sale & discontinued operations as a result of the sale of a division within the manufacturing cluster.*

H1 F2018 RESULTS IN CONTEXT - GROUP

R775m PBIT NEGATIVELY AFFECTED BY:	H1 F2018
Kpone contract: Loss on contract, impacting EPC Cluster results	-R649m
Unmaterialised unsecured work ▪ Impacting Construction Cluster results – Lack of contract awards (mainly Housing & SA SMEIP discipline) – Closure & rationalisation of businesses (Roads & Civils disciplines)	-R40m
Unsecured work materialising later than budgeted ▪ Impacting Construction Cluster results in SA & Africa	-R20m
Contract losses & contracts behind plan (net of profit on contracts ahead of plan) ▪ Impacting Construction & EPC Cluster results	-R35m
Retrenchment costs ▪ Retrenchment process implemented mainly in Construction SA & Corporate office – Benefits starting to come through – Further retrenchments & restructuring continuing into H2 F2018*	-R63m

BALANCE SHEET IMPACT

Cash impacted by above and by the unwind in balance sheet, following reduced order book & level of trade**

** Refer to Slide 8, 24 for detail* *** Refer to Slide 18 - 25 for detail*

H1 F2018 REPORTING STRUCTURE

AS PER F2017 ANNUAL REPORT

H1 F2018 RESULTS IN CONTEXT – CLUSTER

LOSSES IN CONSTRUCTION	ACTUAL PBIT	
	H1 F2018	H1 F2017
SA ▪ Improved delivery; contract losses reduced, profit from contracts ahead of plan more than offset reduction from contracts behind plan ▪ Delay in contract awards & declining order book impacted planned profit – Housing & Civils impacted by continued lack of public sector contracts • Exited low-cost housing (Motlekar) & selective tending in Civils – reduction in profit against plan with downscaling – Nuclear exited, Oil & Gas downsized – R60m in retrenchment costs	**- R157m**	- R509m*
Rest of Africa ▪ Good delivery; no contract losses, secured profit tracking plan ▪ Delay in contract awards impacted planned profit ▪ Under-recovery of overheads due to 3 delayed contract awards / starts – now on track ▪ Increased once-off overhead cost to exit non-focus countries ▪ Forex losses R13m ▪ Retrenchment costs R2,5m	**- R51m**	- R38m
	- R208m	**-** R547m

Further detail of H1 F2018 review provided on pages 54 - 57

** includes impact of VRP contribution R153m & NMPP impairment R244m*

H1 F2018 RESULTS IN CONTEXT – CLUSTER

LOSSES IN ENGINEER, PROCURE, CONSTRUCT ("EPC")	ACTUAL PBIT	
	H1 F2018	H1 F2017
EPC excluding Kpone ▪ Delayed, slower commencement of contracts & lost tenders ▪ One Gas Fired Power Plant (90MW open-cycle) – Earthworks complete; Civils commenced March 2018 – Current order book consists of this contract only ▪ Downsizing of structure, including retrenchments, commenced in H2 F2018	**- R23m**	- R14m
Kpone ▪ Loss on Kpone contract	**- R649m**	R44m
	- R672m	R30m

Further detail of H1 F2018 review provided on pages 58 -59

H1 F2018 RESULTS IN CONTEXT – CLUSTER

LOSSES IN EPC - US$ 410m KPONE CONTRACT UPDATE

F2017 RESULTS
- Possible delay penalties as 13/09/17* completion date not met
- Due to
  - Delays by design partner
  - Late arrival of procured items due to change in Ghanaian law; scoped out of contract so group not at risk
  - Seawater tunnelling delays
- Group assessing its claims to which it is entitled

TRADING UPDATE DEC 2017
- Contract 97% complete; commissioning nearing completion
- Further delays**:
  - Ongoing unexpected marine conditions & weather effect on seawater intake
  - Further late delivery of key components
  - Problematic & faulty equipment from main sub-contractors
  - Inaccurate, late designs from engineering sub-contractor, including inadequate fire system design (necessitating major rework)
- €20m free cash to be applied to fund costs to completion
- Completion date of March 2018*

H1 F2018 RESULTS
- Further commissioning delays extend completion date to June 2018*
- However, plant now mechanically complete
- ⅔ of power capacity successfully fed to grid in test phase
- Plant is in final commissioning & moving into only remaining phase, ie reliability & performance testing
- No additional possible penalties (LDs capped at $62.5m, ie 6 mnth delay)
  - Against which group assessed claims to which it is entitled
- Additional cost to complete requires funding; budgeted

** A later completion date does not necessarily translate to daily penalties if the group is not responsible for the delay*
*** Kpone now expected to reflect an overall life-to-date loss; (excluding the negative impact of possible delay penalties or the positive impact of claims on the contract to which the group has assessed its entitlement)*
LD = Liquidated Damages

H1 F2018 RESULTS IN CONTEXT – CLUSTER

SOLID PERFORMANCE BY INVESTMENTS & CONCESSIONS

ACTUAL PBIT	
H1 F2018	H1 F2017
R118m	R145m

I&C Transport
- Intertoll Europe: Delivered strong results - exceeding budget
  - Improved operational performance & weaker Rand
  - Targeted pipeline projects have come to market; others to follow in 2018
- Intertoll SA & Rest of Africa:
  - Normalised performance following H2 F2017's unexpected claim

I&C Real Estate
- SA: Projects slow-to-market (mainly due to poor SA market confidence & group capital constraints)
- Rest of Africa: Delayed project commencement due to group capital constraints

Further detail of H1 F2018 review provided on pages 60 - 62

H1 F2018 RESULTS IN CONTEXT – BY CLUSTER

PLEASING PERFORMANCE IN MANUFACTURING

ACTUAL PBIT	
H1 F2018	H1 F2017
R35m	R39m

Fibre Cement - Everite
- Performance in line with expectations
  - Tough trading environment & pressure on pricing
- Impacted by power interruption & delayed AAC commissioning
- Enhanced by complementary traded goods, exports & production efficiency

Steel – BRI & Pipe
- Volume & price recovery in Pipe
- BRI experienced volume improvement, but input price increases

Disposal: Pipe
- Deal successfully concluded
- All CPs* between buyer & G5 concluded
  - Remaining CPs between buyer & its funder
- Proceeds expected in April 2018

Disposal: Everite
- Progressing well; numerous credible non-binding offers received
- Due diligence currently underway by bidders
- Deal conclusion in 2018

AAC = Aerated Autoclaved Concrete
** Conditions precedent*

Further detail of H1 F2018 review provided on pages 63 - 64

INCOME STATEMENT

Rm	**H1 F2018 unaudited**	H1 F2017 unaudited *	H2 F2017 unaudited *
Revenue *from continuing operations*	**4 981**	5 825	4 934
Operating loss & margin % ▪ *including fair value adjustments* **	**(775) (15.6%)**	(339) (5.8%)	(315) (6.0%)
Loss before net finance cost & taxation	**(715)**	(322)	(290)
Net finance (cost) / income	**(18)**	2	(10)
Loss before taxation	**(733)**	(320)	(300)
Effective tax rate %	**4%**	(15%)	67%
Loss from continuing operations	**(761)**	(270)	(504)
Profit / (loss) from discontinued operations	**1**	(2)	3
Non-controlling interest	**(25)**	(33)	(34)
Net loss	**(785)**	(306)	(534)

** Restated for the application of IFRS 5 – Non-current asset held for sale & discontinued operations as a result of the sale of a division within the manufacturing cluster.*
*** From F2018 fair value adjustments on service concessions are recorded within equity profit and not operating profit in the income statement due to a change in accounting treatment following the sale of 49.99% of the group's sale of its interest in concessions assets at the end of the prior year.*

CASH FLOW STATEMENT

Rm	H1 F2018 unaudited	H1 F2017 unaudited*	H2 F2017 unaudited*
Operating cash	**(154)**	(166)	(2)
Working capital changes	**(345)**	(11)	(630)
Net finance (cost) / income	**(11)**	2	(5)

Trade & other payables	**(180)**	(154)	(481)
Advance payments	**(165)**	(102)	65
Excess billings	**(130)**	(600)	(548)
Trade & other receivables	**358**	121	604
Contracts in progress	**(214)**	683	(269)
Inventories	**(14)**	41	(1)
Working capital changes	**(345)**	(11)	(630)

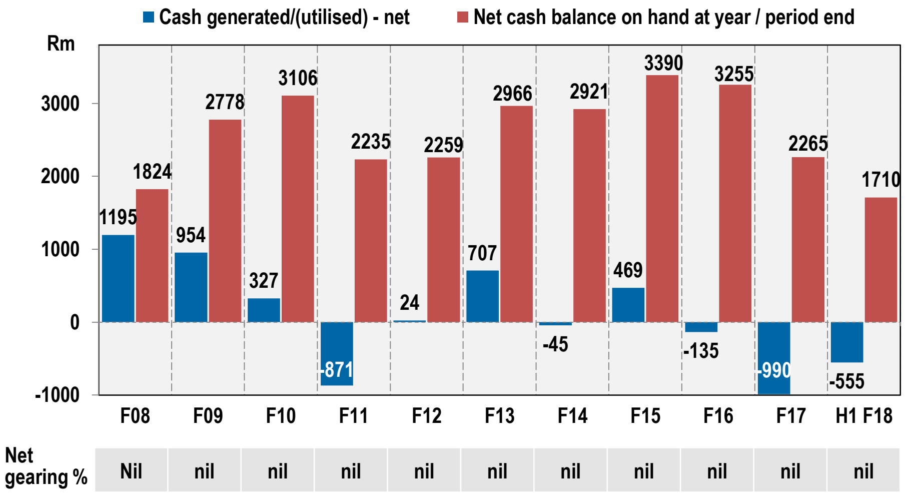
** Restated for the application of IFRS 5 – Non-current asset held for sale & discontinued operations as a result of the sale of a division within the manufacturing cluster.*

CASH FLOW STATEMENT

Rm	H1 F2018 unaudited	H1 F2017 unaudited*	H2 F2017 unaudited*
Operating cash	**(154)**	(166)	(6)
Working capital changes	**(345)**	(11)	(630)
Cash utilised by operations	**(499)**	(177)	(636)
Net finance cost	**(11)**	2	(5)
Tax & dividends paid	**(43)**	(119)	(75)
Operating activities (disc. operations)	**25**	-	3
Net cash utilised by operating activities	**(528)**	(294)	(713)
Net investing activities	**47**	4	526
Net financing activities	**(65)**	(28)	(356)
Financing activities (disc. operations)	**(25)**	-	-
Effect of exchange rates on cash	**16**	(142)	13
Movement in cash	**(555)**	(460)	(530)
Cash & cash equivalents on hand – end of period	**1 710**	2 795	2 265
Net gearing – debt to equity ratio %	**Ungeared**	Ungeared	Ungeared
External guarantees issued	**5 091**	5 484	5 498
External guarantees unutilised	**3 811**	6 582	5 084
Total facility for period ended	**8 902**	12 066	10 582

** Restated for the application of IFRS 5 – Non-current asset held for sale & discontinued operations as a result of the sale of a division within the manufacturing cluster.*

CASH FLOW STATEMENT



LIQUIDITY REVIEW – CASH RECONCILIATION

CASH (Rm)

At 30 June 2017	2 265
At 31 December 2017	1 710
Outflow	**-555**

Due to:

Reducing order book - impact of unwinding excess billings and advance payments (net)	-295
Retrenchment costs paid in the period	-31
Contract losses and net unrecovered overheads	-55
Free cash used in period for Kpone	-150
	-531

Represents bulk of R555m

LIQUIDITY REVIEW – FREE CASH* RECONCILIATION

FREE CASH - 12 MONTHS FORWARD (Rm)

Estimate at 30 June 2017	615
At 31 December 2017	140
Outflow	**-475**

Due to the following category estimates:

▪ Retrenchment costs paid in the period	-31
▪ Retrenchment costs accrued	-32
▪ Free cash used in period for Kpone	-150
▪ Additional free cash to be used for Kpone	-105
▪ Funding of contract losses plus funding of contract costs greater than planned (net)	-35
▪ Slower recovery of work in progress claims - timing	-119
	-472

Represents bulk of R475m

** Represents free cash in 12 months based on forecast unwind of balance sheet at reporting period end & estimated 12 months future trading excl. unsecured contracts.*

IMPACT ON LIQUIDITY

- Q1 & Q2 F2018: material decrease in estimated group free cash*
  - Manufacturing and Investments & Concessions continue to generate free cash
  - BUT: Construction: negative free cash*, 12 months looking forward (excl. Kpone) and
  - Kpone: additional cost to complete places pressure on free cash
- Although a positive, albeit marginal, free cash balance is reflected:

Construction balance sheet unwind (rate & timing) as contracts near completion
- Advance payments & excess billings repaid & rate of trade decreases and
- Immediate need for additional cash for Kpone

→ Versus
- Rate at which claims, debtors and non current assets could be realised to fund outflows

Generates a timing mismatch

→
- Net outflow in short term; bridging required
  - Short term outflow circa R650m

Focus areas for management to address liquidity:
1. **Rationalisation & restructure plan for Construction & EPC**
2. **Access bridge funding to address short term requirements**

** Represents free cash in 12 months based on forecast unwind of balance sheet at reporting period end & estimated 12 months future trading excl. unsecured contracts.*

RATIONALISATION & RESTRUCTURE INTERVENTIONS

Rationale

1. Absorption of a material portion of the group's free cash flow
2. Short term cash outflows which need to be honoured
3. Allowing some headroom should conditions change & further free cash requirement arise
4. Further reduce negative operational leverage (overheads too high) in reducing order book environment

RATIONALISATION & RESTRUCTURE INTERVENTIONS

Management has focused on rightsizing & restructuring structurally unsustainable Construction SA and EPC, including:

1 Initial steps

- Reassessment of F2018 & F2019 forecasts for Construction & EPC
  - Excluding contract profit unsecured
  - Including full overheads & "unwind" of balance sheet**

2 Cost reduction to match reduced business size

- Rationalisation & standardisation of all overheads - Construction SA, Africa, EPC & Corporate Office
- Result
  - further retrenchments required*
  - Aggressive reduction in overheads

3 Reduced level of unsecured work in budget; moving quickly to next step (step 4) of further overhead cut if needed

- Critical evaluation of contracts to be pursued
- Only in disciplines with available market, internal competency & proven track record
- Focused tendering on contracts with:
  - >80% probability of being awarded within construction competency & skill set, minimum gross profit margins & related to remaining sustainable businesses

4 Further overhead rationalisation

- To levels supporting secured and limited unsecured work only, should higher levels of unsecured revenue be unattainable in short term

5 Cash conversion of assets

** Largely provided for in H1F2018 results and implemented in H1 & Q3 F2018*

*** Reduction of balance sheet with a reducing level of trade and order book*

RATIONALISATION & RESTRUCTURE INTERVENTIONS

Management has focused on rightsizing & restructuring structurally unsustainable Construction SA and EPC, incl:

1 Initial steps

Reassessment of F2018 & F2019 forecasts for Construction & EPC

Reassessment based on
- Available market and reliability of market demand,
- Available internal core competency and skills
- Sustainability of business

Resulted in the following structural changes

BUILDING & HOUSING:
- Buildings
- Housing
- Housing – low cost - Motlekar

ENERGY
- Nuclear
- Oil & Gas - downsized within Projects
- Power -> to TPS
- Engineering

CIVIL ENGINEERING
- Civils – but reduced by 75%
- Roads and Earthworks
- Plant

PROJECTS
- SMEIP – in rest of Africa
- Plant – in rest of Africa

= *Exited or closed*

RATIONALISATION & RESTRUCTURE INTERVENTIONS

CONSTRUCTION SOUTH AFRICA
- Buildings
- Housing
- Civils – reduced

CONSTRUCTION – REST OF AFRICA
- SMEIP – in rest of Africa
- Plant – in rest of Africa
- Oil & Gas - downsized SA

TPS
- Power

2 Cost reduction to match business size

	Implemented	In progress
Overhead related	**Total saving estimated at circa R220m**	
▪ Staff: Retrenchments*	SA, Corporate & TPS; 18% reduction in F18	
▪ Non-personnel costs		Complete in H2 F2018
Operational related Staff: retrenchments Q3		Benefit to be realised R40m
Plant closure		In progress
Constr. SA move to Spartan	No rent, owned property	
Constr. Africa move to Boksburg	No additional cost	
Exit from Waterfall premises		Expected shortly

3 Reduced level of unsecured work in business plan

- Focused on above disciplines only
- Low reliance on unsecured work
- **40%** of Africa and **43%** of SA unsecured work converted to orders in **3** months
- Additional contract opportunities available & added to unsecured work focus

* *Largely provided for in H1F2018 results and implemented in H1 & Q3 F2018*

RATIONALISATION & RESTRUCTURE INTERVENTIONS

02 FINANCIAL REVIEW

CONSTRUCTION SOUTH AFRICA	CONSTRUCTION – REST OF AFRICA	TPS
Buildings	SMEIP – in rest of Africa	Power
Housing	Plant – in rest of Africa	
Civils – reduced	Oil & Gas - downsized SA	

4 Further overhead rationalisation

- Should unsecured work not materialise in the short-term
  - further overhead cuts will be implemented
- These have been quantified
  - results in a further **R30m** benefit

+

5 Cash conversion of assets

- Collection of R**170m** in 3 months +
- Additional asset-to-cash conversion (non trade balances) of R779m a focus to June 2019
  - **R44m** collected since Feb +
  - **R120m** realised, converting into cash monthly over 18 months
  - **R80m** expected shortly

In summary

- Construction & EPC business shrunk to a new base for **break even by F2019***
- Focusing on **quality work** with **strong margins;** mainly **private sector**

** Ex Kpone*

BRIDGE FUNDING AND RECAPITALISATION

02 FINANCIAL REVIEW

Actively worked with various lenders to raise secured bridge funding in H1 F2018 & continuing

- Allows group to honour short term outflow & realise assets in an orderly manner
- Term sheet signed & executed with funding consortium
  - Sets out terms & conditions on which the funding consortium, subject to fulfilment of conditions precedent, is willing to provide up to R650m
- Aims to address CPs* during April, with parties intention of access to funding by end of April 2018

Bridge funding

- The Group believes it is not prudent to rely solely on debt and therefore would prefer to approach shareholders to discuss recapitalisation options and replacement of this debt as soon as possible

Recapitalisation

Rationale

- Repayment of bridge funding through recapitalisation options
  - Removal of liquidity constraints
  - Prevent unintended disposal of group assets
  - Provide time to stabilise & de-risk construction business prior to disposal

** Conditions precedent*

REVISED STRATEGY & STRUCTURE

GROUP FIVE

Developments & Investments → Turnkey Project Solutions → Operations & Maintenance

Strategic benefits

...delivered through a synergistic portfolio of businesses...

Business Generation
Individual business units generate execution opportunities for others

Differentiated Market Position
Portfolio capability that drives a differentiated market positioning & value proposition

Capital Base Leverage
A single capital base can be leveraged across the portfolio to generate strong returns

...operating in key sectors...

Power | Water & Transport | Real Estate

...and working with proven partners

Funders, Professional advisors, OEMs, Construction companies, Engineering companies

Construction

Construction SA	Construction rest of Africa
* Building, Housing & Civils	* Projects (SMEIP)**

AIM: VRP deal/s

1. *Minority investment in market-relevant, empowered construction businesses*
2. *Lower staff & low overheads*

** Disciplines offered* *** Structural, Mechanical, Electrical Instrumentation & Piping*

GROUP PROSPECTS

03

THEMBA MOSAI - CEO

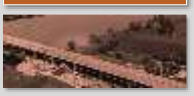
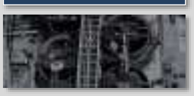
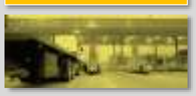
GROUP FIVE

REVISED STRATEGY & STRUCTURE

CLUSTER STRATEGIES & INVESTMENT CASES

GROUP OUTLOOK

CLUSTER STRATEGIES & INVESTMENT CASES

Developments & Investments (D&I)	Turnkey Project Solutions (TPS)	Operations & Maintenance (O&M)	Construction
			

DEVELOPMENTS & INVESTMENTS (D&I)

Developments & Investments (D&I) | Turnkey Project Solutions (TPS) | Operations & Maintenance (O&M) | Construction

Transport | Real Estate | Water | Power

03
GROUP PROSPECTS:
CLUSTER STRATEGIES & INVESTMENT CASES

DEVELOPMENTS & INVESTMENTS (D&I)

Strategy

- **Will form Group Five's core business**
- Strict focus: Transport & Water, Power & Real Estate
- Create diversified portfolio of assets (off well-established base)
  - Long term, robust ROI & capital gains
  - Short term income via development fees, asset management fees & dividends
- Opportunities for O&M & TPS
- Reduce risk by sharing development risk across partner network
- **Key:**
  - Provides route to market for infrastructure funders

Investment Case

- **Required investment**
  - R1,8bn medium term equity investment opportunities in our target sectors
  - R600m needed for development of immediate opportunities
  - Partnerships & strategic alliances for access to some capital & markets available
    - Reduces capital requirements from Group Five
    - Aberdeen JV continues to unlock opportunities
- **Current returns**
  - 20% current return hurdle on investment in Africa, Europe & USA
  - 3-year track record
    - Avg. European investment returns of 23% (€) & 26% (Rands)
    - SA returns are low as Property at early stage of development
- **Target returns:**
  - 18% return on investment

See slides 68, 70 for list of current, quality investments

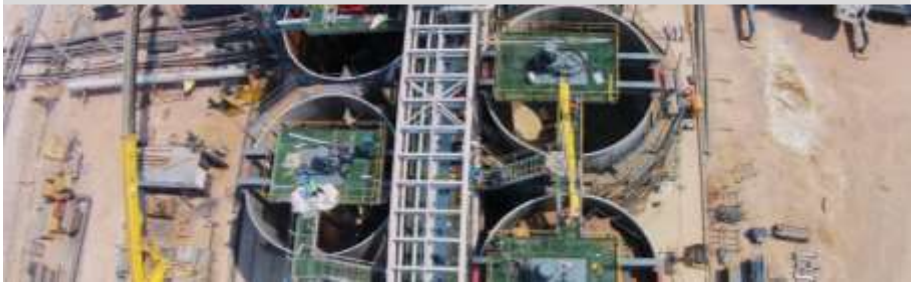
TURNKEY PROJECT SOLUTIONS (TPS)

Developments & Investments (D&I)

Turnkey Project Solutions (TPS)

Operations & Maintenance (O&M)

Construction



TURNKEY PROJECT SOLUTIONS (TPS)

TPS Strategy: TPS is:

- A solution provider of:
  - **Small to medium** size infrastructure projects ($50 - $200m)
    - Could be a portion of a larger project
  - Within Infrastructure (Water & Transport), Power & Real Estate sectors
  - On the African continent
  - Filling owner competency gaps through partnerships
  - **Low to medium complexity** multi-disciplinary projects - where the group has been successful

TPS is not:

- Conventional construction or
- Just EPC contracting
  - EPC is only one manner of executing a TPS

TPS Investment Case

- **TPS helps grow D&I and O&M**
  - Crucial for access to broader offering as a competitive advantage
- Clients' & funders' trending to lump-sum turnkey delivery models for infrastructure provisioning
- Target: High operating margins (7-10%) & > 20% return, limited capital investment

TURNKEY PROJECT SOLUTIONS (TPS)

The TPS strategy is supported by a group 7-year track record* of successful projects

- Successful delivery of 23 out of 26 turnkey multi-disciplinary projects;
  - 18 executed projects meet revised project criteria set (size, complexity, risk-bearing capacity & appetite)
  - Analysis indicates these projects attained strong, positive outcomes (avg. margins in the lower teens; ranging from low single digits to >30%)

Key criteria for success in TPS

- Key risk mitigation strategies:
  - Upfront commercial astuteness in establishing bids
  - Strong skilled & experienced project management teams
- Low employee base, but highly skilled individuals
  - Experienced in TPS
  - Supported by additional skills procured per project as required
- Low direct capital investment & low fixed overheads
- Leverage close group relationships in an established network
  - Funders, advisors, export credit agencies, contractors & OEMs, engineering houses & specialists
- Access to indirect financial facilities in terms of guarantees a prerequisite to operate

** See track record table on page 72 for substantiating detail*   *OEM = Original Equipment Manufacturer*

TURNKEY PROJECT SOLUTIONS (TPS)

Summary of Capital Requirements

- **F2019 onwards expected to be self-funding**
  - Overhead reduction strategies in F2018 commenced in H2 F2018
  - Focus on conversion of unsecured order book
    (contracts with > 80% confidence level of award & trade in F2019)
  - **Investment required**:
    - Start-up capital to fund limited development costs for new contract awards within 18 months (R25m)
- Guarantee requirements - on a rolling average of R600m

OPERATIONS & MAINTENANCE (O&M)

Developments & Investments (D&I) | Turnkey Project Solutions (TPS) | **Operations & Maintenance (O&M)** | Construction

OPERATIONS & MAINTENANCE (O&M)

Strategy

- O&M only; no investment activity
- Build long term, stable, annuity revenue & cash flow in current & new sectors & geographies
  - Leverage current portfolio of well-performing transport contracts in Europe & SA to:
    - Secure quality order book
    - Access targeted geographies (Sub-Saharan Africa, Europe & USA)
    - Expand from Transport & Power into Water
    - Group has existing, proven, in-house Toll system to leverage for other O&M activities

Investment Case

- Can derive O&M work from D&I investments
- **Current**: High avg. project operating profit margin of 20% over last 3 years
- Secured position on D&I and future TPS projects, leveraging African reputation & advantage
- Advisory service for fees
- **Limited investment** capital required (using existing resources)
- Improved blended group operating margin
  - Pursue increased scale to decrease avg. fixed & overhead cost
- **Target**
  - Avg. 15% project operating profit margin projected across all segments*

See page 76 for list of current, quality operations

** Blended margin following inclusion of other sectors*

CONSTRUCTION

- Developments & Investments (D&I)
- Turnkey Project Solutions (TPS)
- Operations & Maintenance (O&M)
- **Construction**
  - Construction SA
    - * Building, Housing & Civils
  - Construction rest of Africa
    - Projects (SMEIP^*)

* Disciplines ^ Structural, mechanical, electrical, instrumentation & piping

CONSTRUCTION – SOUTH AFRICA

Strategy

- Extraction of attractive returns from construction
  - Via a minority investment in a market-relevant empowered construction entity
  - With low fixed cost structures
- Strict focus: only on disciplines where external market has been proven & where internal competency exists
- Successful track record in the businesses retained
  - Building
  - Housing
- Civils (reduced by 75%)
- Strong private sector project pipeline - leverage relationships in Mining, extending to Power & Water
- Opportunity to implement VRP requirements through sale of majority interest
  - Although delayed by board & management changes, corporate finance activity underway; stabilising construction first
  - Minimum of 51% to be sold to black industrialists

Investment case

- Focusing on businesses which
  - Provide net operating margins between 3 - 5%
  - Provide the required targeted returns of >20%
  - Will not be achieved in F2018
- Return to profitability in F2019 based on base-case business plan established
  - Relies on a low level of unsecured contracts being awarded
  - Relies on an invasive reduction of fixed costs; being implemented
- Require low to nil investment
- Operate on variable cost structures
- Requires access to construction guarantee facilities

CONSTRUCTION – REST OF AFRICA

Developments & Investments (D&I)

Turnkey Project Solutions (TPS)

Operations & Maintenance (O&M)

Construction

- Construction SA
  - * Building, Housing & Civils
- Construction rest of Africa
  - Projects (SMEIP^*)

* Disciplines ^ Structural, mechanical, electrical, instrumentation & piping

CONSTRUCTION – REST OF AFRICA

Strategy

- Focus only on SMEIP* niche market
  - High margins & barriers to entry
    - Specialist space; handful of competitors
  - Leaner, more agile operating structure
  - In select territories where group has reputation for delivery
- Strategic focus:
  - Medium to large Mining & Industrial projects
  - Small to medium select Oil & Gas and Power projects
  - Strategic construction partner - select mining procurement & construction joint ventures
    - Long-standing relationship in Mining with trusted engineering partner
- Differentiator: effective commercial astuteness & managing risk, especially pre-execution

Investment case

- Strong track record over last 10 years on over-border contracts
  - Traded revenue per contract invariably increased & higher than initial award
  - Exceeded bid margins
  - Retained same successful team
    - High caliber SMEIP management skills set
- Return to profitability
- Targets returns:
  - Operating margins 4-6%
  - Provide required targeted returns of >20%
  - Requires low to nil investment; only capex which is owned
  - Reduced variable cost structures

* Structural Mechanical Instrumentation & Piping

MEDIUM TERM TARGET OPERATING MARGINS

Operating Margins		Target range (3-year from F2020)
Developments & Investments		Not applicable (FVA's* only)
Turnkey Project Solutions		7% - 10%
Operations & Maintenance		15%
Construction		
	South Africa	3% - 5%
	Rest of Africa	4% - 6%

** Fair Value Adjustment*

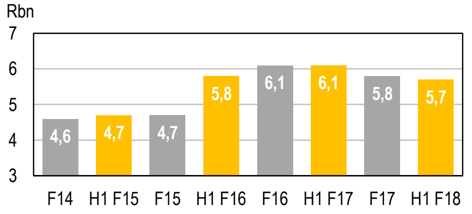
LOOKING FORWARD – CLUSTER SUMMARY

DEVELOPMENTS & INVESTMENTS	Transport	▪ Attractive outlook ▪ But utilisation of free cash by Construction inhibits ability to further invest & grow ▪ Investment equity required
	Real Estate	▪ Return to profit dependent on access to capital to continue & access projects
TURNKEY PROJECT SOLUTIONS		▪ Secure order book within stated project parameters (bids underway) ▪ Losses in the short term; thereafter TPS will be self-funding ▪ Limited investment equity required but access to guarantees needed
OPERATIONS & MAINTENANCE		▪ Solid growth off high base ▪ Strong pipeline in Europe; In negotiation with concessionaire for a project ▪ Securing new projects in SA; several tenders & expanding into related work beyond tolling ▪ Well advanced O&M project pipeline in select African countries; diversifying beyond tolling
CONSTRUCTION	SA	▪ Being right sized for current market conditions; return to profitability in F2019 ▪ Will require low to nil investment ▪ Operating on a lower cost structure ▪ Access to guarantees needed
	Rest of Africa	▪ Good, secured order book esp. in W. African mining sectors; profitable in F2019 ▪ Recently awarded contracts will enhance business performance in H2 F2018 ▪ Will require low to nil investment ▪ Operating on a lower cost structure ▪ Access to guarantees needed

See pages 66 - 80 for detailed forward looking reviews

SECURED O&M ORDER BOOK – Annuity Income

Rm	Actual revenue			Order book		
	F2016	F2017	**H1 F2018**	H2 F2018	3-year to F2021	**Secured**
Transport	1 008	1 047	**601**	530	2 931	**5 561**
Industrial, Oil & Gas	134	196	**51**	2	-	**2**
Power	60	33	**30**	26	94	**120**
Total	**1 202**	**1 276**	**682**	**558**	**3 025**	**5 683**



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

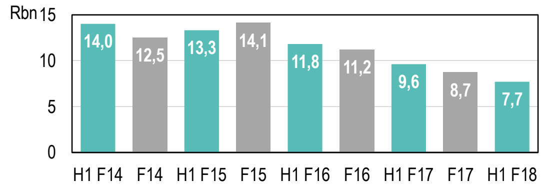
SECURED CONTRACTING ORDER BOOK*

03
GROUP PROSPECTS: GROUP OUTLOOK

	Total	South Africa	Rest of Africa	EPC ^
Total order book – Rm 30 June 2017	8 723*	6 745	542	1 436
Total order book – Rm 31 December 2017	**7 705***	**5 528**	**954**	**1 223**
% Over-border	16%	1%	100%	21%
▪ Public over-border	-	-	-	-
▪ Private over-border	16%	1%	100%	21%
% Local	84%	99%	-	79%
▪ Public local	54%	24%	-	79%
▪ Private local	30%	75%	-	-
1-year order book from 1 Jan 18 Rm	**6 001**	**4 153**	**742**	**1 106**

Order intake at reduced levels

- Continued overall decrease
- Remains challenging in SA
- Rest of Africa pleasing awards



Values include only Group Five's portion of fully secured construction work
^ *Engineer, Procure, Construct*

RISKS

03
GROUP PROSPECTS: GROUP OUTLOOK

MARKET

- Slow response by DFIs* in participating in project preparation funding
- Prolonged incubation period for projects
- Reputational damage post Kpone contract completion
- Global competitors bringing funding into projects & entering African markets

FINANCIAL CAPACITY

- Liquidity constraints in the industry & in the group
- Constrained risk-bearing capacity due to weakening of group balance sheet following underperformance of multiple businesses & contracts

HUMAN CAPACITY

- Risk of key skills loss as a result of instability within the group & the industry

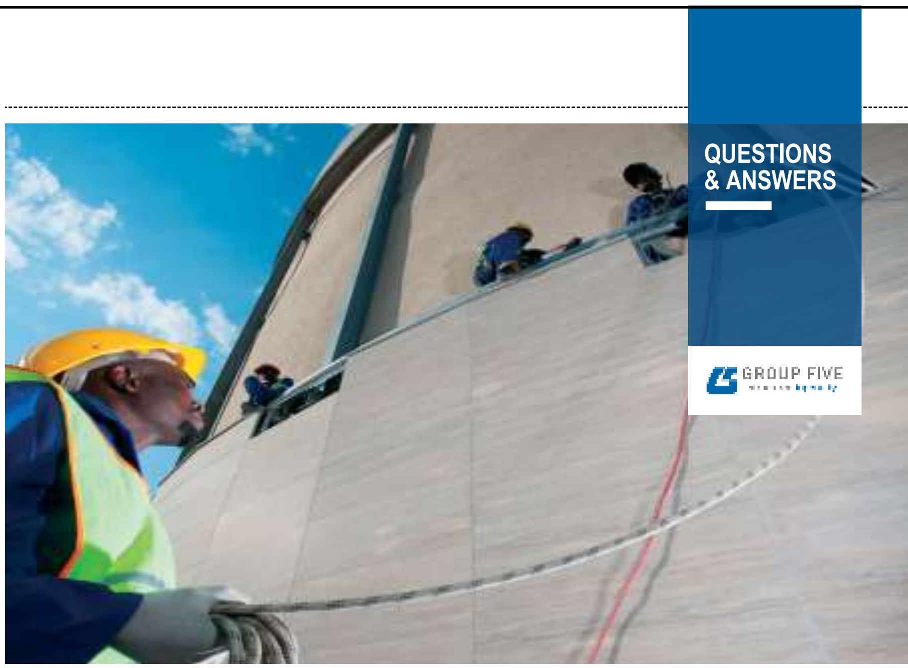
GEOGRAPHIC

- Continued low growth in global markets
- Negative perceptions about Africa by current & prospective partners

* *Development Financing Institutions*

PRIORITY MANAGEMENT FOCUS AREAS

Cluster focus	Short term actions required
D&I: ▪ Solid business but growth constrained by – Lack of capital – Slow nature of Infrastructure project development	▪ Continue relationships with strategic partners that facilitate access to development funding
TPS: ▪ Appoint & keep right leadership in key positions ▪ Appoint & keep skilled execution team; strong commercial & project management skills required ▪ Capital injection to bridge fund Kpone in addition to I&C free cash utilised	▪ Recruit & retain talent ▪ Utilise remuneration & performance management to drive behaviours ▪ Achieve draw down on established debt bridge ▪ Focus on collection of opportunities & management of claims
O&M: ▪ Leverage reputation for excellence to grow in new sectors	▪ Expand on operations & maintenance in Power sector
Construction: ▪ Capital injection to fund current unwind of order book & the establishment of lower cost base ▪ Establish market-relevant empowered South African entity ▪ Rest of Africa is self-funding if on a stand-alone basis	▪ Achieve draw down on established debt bridge ▪ Focus on collection of opportunities & management of claims ▪ Fast-track VRP transaction to become minority shareholder in Construction SA



FORWARD LOOKING STATEMENTS

Certain matters discussed in this document regarding Group Five's future performance, that are neither reported financial results nor other historical information but involve known and unknown risks based on assumptions regarding the group's present and future business strategies and the environments in which it operates now and in the future and uncertainties which relate to events and depend on circumstances that will occur in the future. These matters are regarded as 'forward-looking statements'. They involve and include initiatives and the pace of execution thereon and any number of economic or geopolitical conditions, including factors which are in some cases beyond management's control and which may cause the actual results, performance or achievements of the group, or its industry, to be materially different from any results, performance or achievement expressed or implied by such forward-looking statements. They furthermore involve and include, without limitation, the group's ability to successfully control costs and execute on and achieve the expected benefits from operational and strategic initiatives, the availability of necessary skilled staff, disruptions impacting the execution of the group's strategy and business, including regional instability, violence (including terrorist activities), cybersecurity events and related costs and impact of any disruption in business, political activities or events, weather conditions that may affect the group's ability to execute on its contracts, adverse publicity regarding the group, initiatives of competitors, objectives to compete in the market and to improve financial performance, all forward-looking financial numbers and statements, currency translation, macroeconomic conditions, growth opportunities, contributions to pension plans, ongoing or planned real estate, ongoing or planned contracts and investments and future capital expenditures, acquisitions, divestitures, financial conditions, dividend policy and prospects, the effects of regulation of the group's businesses by governments in the countries in which it operates and all other statements that are not purely historical. These forward-looking statements have not been reviewed or reported on by the group's auditors. Such statements are based on management's beliefs as well as assumptions made by, and information currently available to, management. Forward-looking statements made in this document apply only as of the date of this document.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'will', 'may', 'anticipates', 'aims', 'could', 'should', 'expects', 'believes', 'intends', 'plans', 'targets, 'estimate', 'project', 'potential', 'goal', 'strategy', 'seek', 'endeavour', 'forecast', 'assume', 'positioned', 'risk' and similar expressions and variations of such words and similar expressions.

Forward-looking statements are inherently predictive, speculative, are not guarantees of future performance and are based on assumptions regarding the group's present and future business strategies and the environments in which it operates now and in the future. All of the forward-looking statements made in this document are qualified by these cautionary statements and the group cannot assure the reader that the results or developments anticipated by management will be realized or, even if realized, will have the expected consequences to, or effects on, the group and its business, prospects, financial condition, results of operations or cash flows.

Readers are cautioned not to place undue reliance on these forward-looking statements in making any investment decision. Neither Group Five nor any of its respective affiliates, advisors or representatives shall have any liability whatsoever (based on negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. While the group may elect to update forward-looking statements from time to time, it specifically disclaims any obligation to do so, even in light of new information or future events, unless otherwise required by applicable laws. The list of factors discussed herein is not exhaustive. This should be carefully considered when relying on forward-looking statements to make investment decisions.

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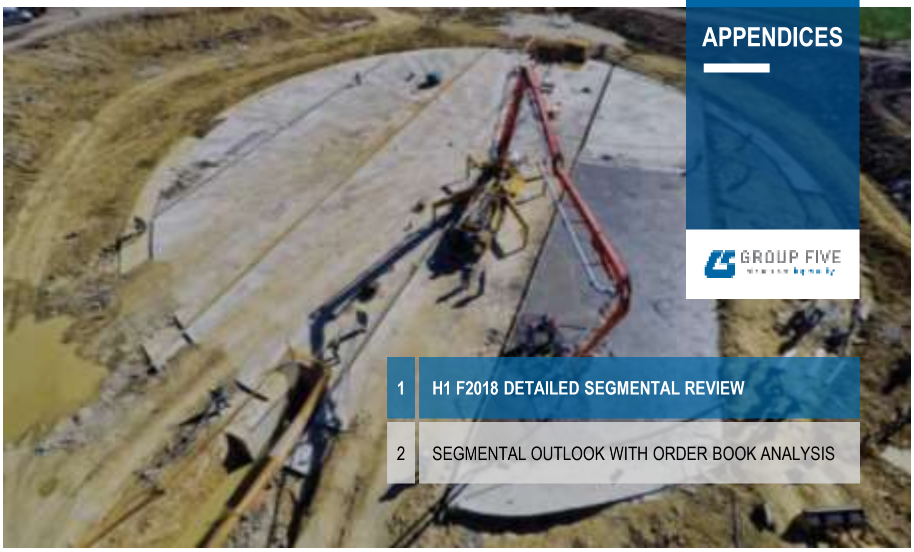
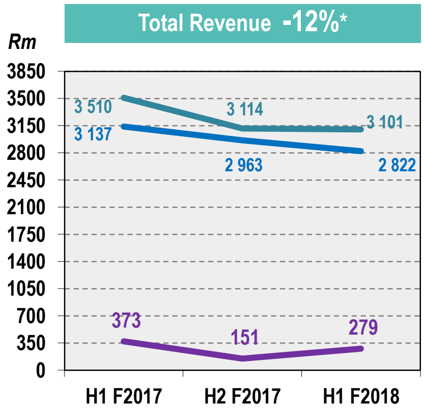


APPENDICES

CONSTRUCTION – H1 F2018

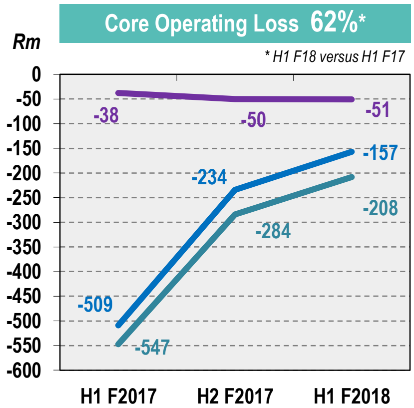
Total Revenue -12%*



3 510	3 114	3 101
Construction		

Core Operating Loss 62%*

** H1 F18 versus H1 F17*



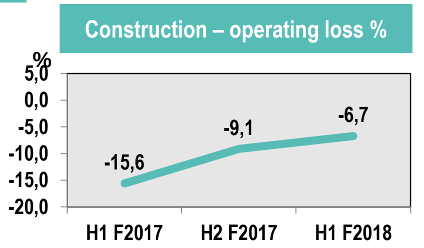
-547	-284	-208
Construction		

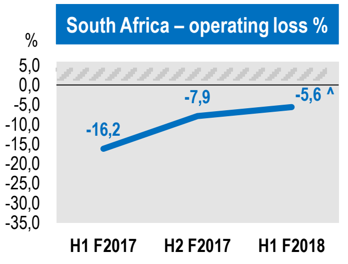
Construction Total | South Africa - Inland | Rest of Africa

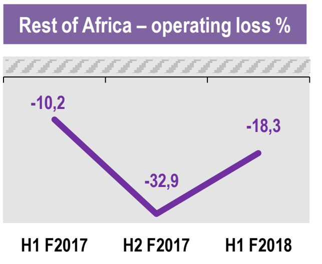
05

APPENDIX 1

CONSTRUCTION – H1 F2018







^ *Profit on sale of fixed assets contributes 0.6% to core margin*

05

APPENDIX 1

CONSTRUCTION – SOUTH AFRICA

H1 F2018 Review

- Improved delivery; contract losses reduced, profit from contracts ahead of plan more than offset reduction from contracts behind plan
- Delay in project awards & declining order book impacted planned profit
  - Housing & Civils impacted by continued lack of public sector contracts
    - Exited low cost housing (Motlekar) & selective tending in Civils – reduction in profit against plan with downscaling
  - Nuclear, Oil & Gas downsized
  - R60m in retrenchment costs
- Good order book in Building & SA SMEIP* business

* *Structural, Mechanical, Instrumentation and Piping*

05

APPENDIX 1

CONSTRUCTION - REST OF AFRICA

H1 F2018 Review

- Good delivery; no contract losses, secured profit tracking plan
- Successfully right sized
- Secured 6 new projects in Africa
  - Expanded footprint into Guinea
- Delay in project awards impacted planned profit
  - Under-recovery of overheads due to 3 delayed project awards/starts - now on track
- Increased once-off overhead cost to exit non-focus countries
- Forex losses R13m
- Retrenchment costs R2,5m

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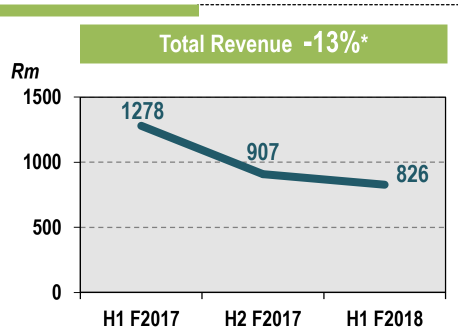
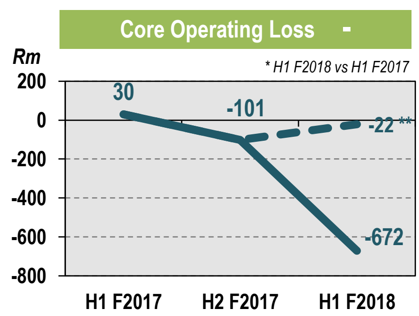
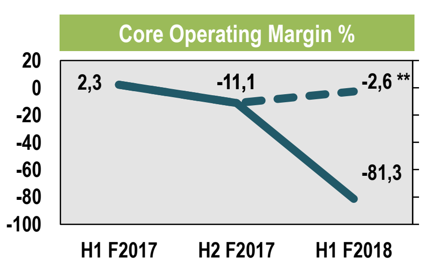
APPENDIX 1

EPC – H1 F2018







** *Excluding impact of Kpone H1 F2018 adjustment*

EPC = Engineer, Procure & Construct

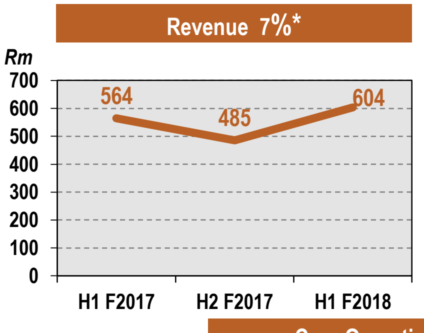
EPC

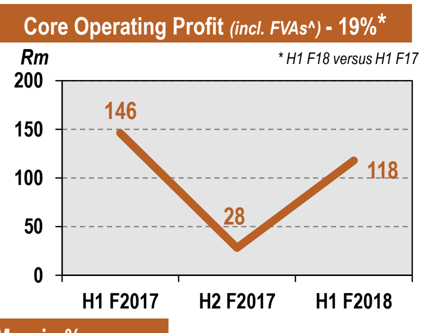
H1 F2018 Review

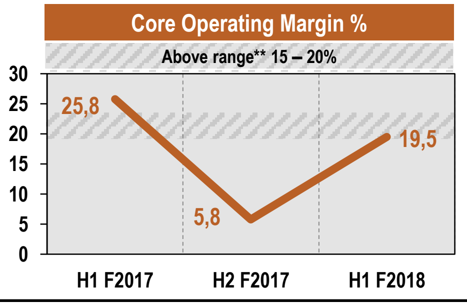
- Delayed, slower commencement of contracts & lost tenders
- One Gas Fired Power Plant (90MW open-cycle)
  - Earthworks complete; Civils commenced March 2018
  - Current order book consists of this contract only
- Downsizing of structure, including retrenchments, commenced in H2 F18
- No other work currently in Africa, but negotiation/bids in progress in Ghana, Nigeria, Mozambique & Kenya

EPC = Engineer, Procure & Construct

INVESTMENTS & CONCESSIONS







^ FVA = Fair Value Adjustments
** Cluster 2 – 3 year target margin range

INVESTMENTS & CONCESSIONS – TRANSPORT

H1 F2018 Review – Transport	
Intertoll Europe	▪ Delivered strong results exceeding budget – Improved operational performance & weaker Rand ▪ Targeted pipeline projects have come to market; others to follow in 2018 as planned ▪ USA prospects supported by Aberdeen JV
Intertoll Africa	▪ Normalised performance following H2 F2017 unexpected claim in F2017 ▪ Conclusion of Q-Free toll road equipment supply partnership in Intelligent Transport System – Bid submitted to SANRAL ▪ Bid submissions for O&M projects in Cameroon, Mozambique & RRM* in Kenya ▪ Proposals submitted for InstaToll® solution in urban areas & on secondary road networks in Mozambique & Zimbabwe

* *Routine Road Maintenance*

INVESTMENTS & CONCESSIONS – REAL ESTATE

H1 F2018 Review – Real Estate	
South Africa	▪ Slow-to-market projects (mainly due to poor SA market confidence & group capital constraints) ▪ Operating assets performing well ▪ Hyde Park residential project launched ▪ NorthPoint Industrial project complete & 70% let; phase 2 planning underway ▪ Glen Acres show block complete & project re-launched ▪ Bulk services installation at Blue Hills residential project commenced
Rest of Africa	▪ Delay in pre-letting of Africa projects ▪ Pre-let Conseil office block - 60% interest ▪ Ghana retail - discussions with anchor tenant ongoing ▪ Ongoing co-investment vehicle fund raising discussions

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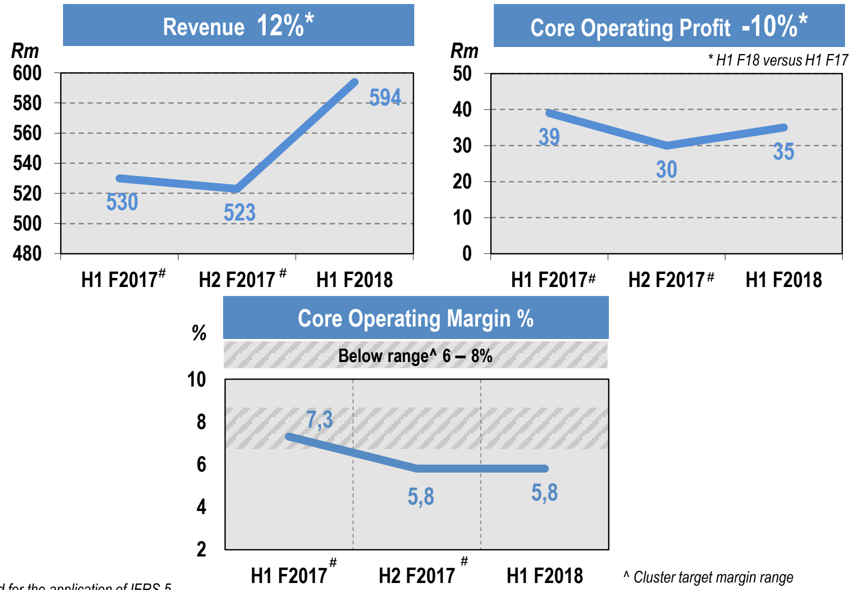
APPENDIX 1

MANUFACTURING



^ Cluster target margin range

Restated for the application of IFRS 5
– Non-current asset held for sale & discontinued operations as a result of the sale of Group Five Pipe within the manufacturing cluster.

05

APPENDIX 1

MANUFACTURING

H1 F2018 Review

Fibre Cement - Everite

- Performed in line with expectations; tough trading environment; pressure on pricing remained
- Power interruption in Dec adversely impacted H1 result; any insurance recovery will occur in H2
- AAC* process commissioning proved problematic although plant yields improving
- Focus on complementary traded goods, exports & production efficiency aided H1 result

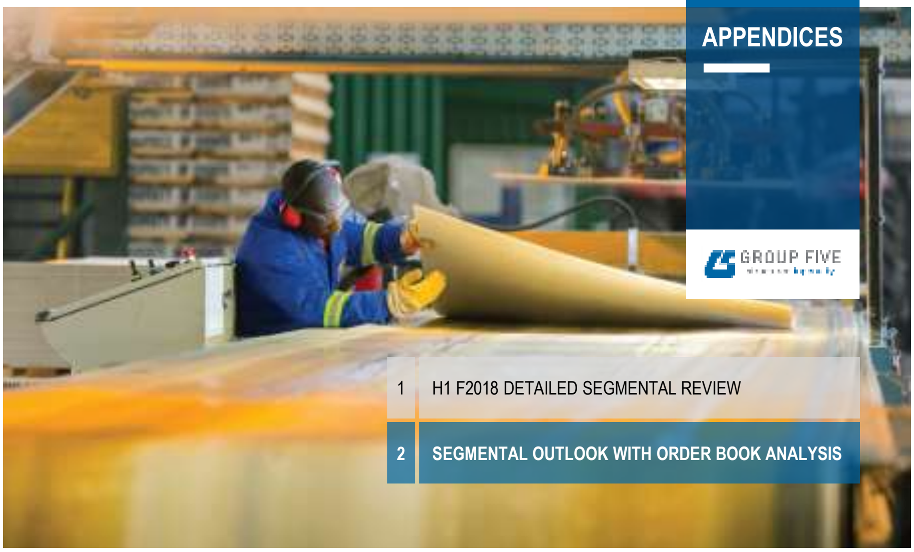
Steel - BRI

- Good volume growth achieved with market consolidation
- Margins remained under pressure as steel price rose & demand remained poor

Steel - Pipe

- Volume & price recovered year on year

* Aerated Autoclaved Concrete



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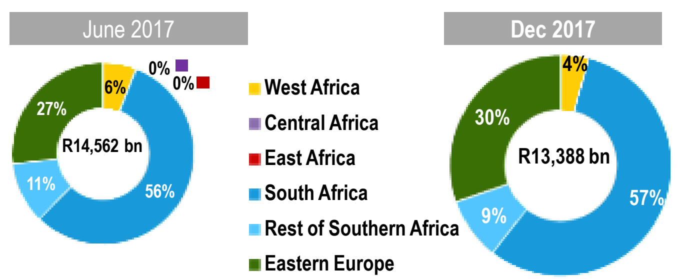
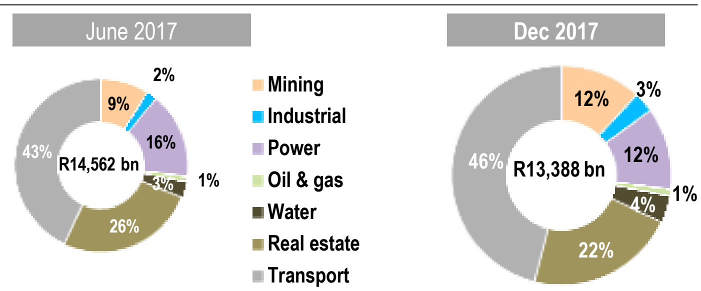
APPENDIX 2

SECURED TOTAL GROUP ORDER BOOK

By geography



By sector



Total group order book comprises secured Construction, TPS & O&M order books

D&I LOOKING FORWARD – TRANSPORT, POWER & WATER

Looking forward

Transport

- Attractive outlook; focus on leveraging Aberdeen JV
- Proposals submitted in Turkey
- Exciting prospects in Greece, Czech Republic, Poland & UK
- But utilisation of free cash by Construction inhibits ability to further invest & grow
- D&I a 10% shareholder on 2 toll concession projects ($800m Kenya & $600m DRC / Zambia)
  - Dependent on funding availability

Power – SSA*

- In principle agreement to form strategic alliance with a fund for roll-out projects
- Working with a technology partner for 100 MW solar generation installation
- Several projects being considered

Water- SSA*

- Ongoing discussions with strategic partners ongoing
- Potential project identified

* Sub-Saharan Africa

D&I PROJECT SUMMARY - TRANSPORT

Developments & Investments

Project	Geography	O+M	Contract type	Km	Group Five investment	End date
M6 Phase 1	Hungary	Yes	Availability	59	Yes 6.35%	2026
M6 Phase 3	Hungary	Yes	Availability	80	Yes 10%	2037
A1 Phase I & II	Poland	Yes	Toll & availability	152	Yes 7.5%	2040

D&I = Developments & Investments

D&I LOOKING FORWARD – REAL ESTATE

Developments & Investments - Looking forward

Real Estate – South Africa

- Commercial close of Dept. of Rural Development & Land Reform PPP project
- Launch of 2 residential projects located in Johannesburg north
- Commencement of North Point Industrial project phase 2

Real Estate – Rest of Africa

- Closing of the co-investment vehicle capital raising
- Commercial close of Conseil office block
- Finalisation of an anchor tenant for Ghana retail project
- Finalisation of implementation structure for Ethiopian projects

D&I = Developments & Investments

D&I PROJECT SUMMARY – REAL ESTATE

Summary of Real Estate Projects

Project	Nature	Geography	Status
Kalahari Mall	Retail	South Africa	Trading well
Capital Place	Commercial	Ghana	100% let, trading well
North Point	Industrial	South Africa	Phase1 is 70% let - completed in September 2017
Wierda Valley	Residential	South Africa	Launching September 2018
Angle on Oxford	Mixed use	South Africa	Rezoning residential rights imminent
Glen Acre	Residential	South Africa	Phase 1A (60 units) near completion
Mooikloof Manor	Residential	South Africa	Show block construction to commence June 2018
Ropack Housing	Residential	Ethiopia	Awaiting statutory approvals
Conseil de Entente	Offices	Ivory Coast	Pre-letting
Augusta Hills	Residential	South Africa	Bulks services installation in progress
Hyde Park	Residential	South Africa	Pre-selling
BICICI* PPP**	Offices	Ivory Coast	Final negotiations with Ministry of Construction
JLOS^ PPP**	Offices	Uganda	Awaiting treasury approval

** La Banque internationale pour le commerce et l'industrie de la Côte d'Ivoire ** Public Private Partnerships ^ Justice Law and Order Sector*

D&I = Developments & Investments

TPS - LOOKING FORWARD

Looking forward

South Africa

- Energy
  - Pursue possible opportunities in renewables (in light of Government's renewed focus)
- Infrastructure
  - Water: KZN & W.Cape desalination plant inquiries
- Plant & Processes
  - No major investment expected until Clean Fuels II policy in place

Rest of Africa

- Kpone completion scheduled for June 2018
- Energy
  - Shortlisted for 2 Power projects in Nigeria
  - Exclusive bidder for Biomass Power project in Ghana
  - UK Waste to Energy market opportunities being pursued
- Infrastructure
  - Infrastructure projects in Kenya & Ghana – early works contract being negotiated; bids being submitted
  - Focus on Mozambique LNG early works support packages
- Plant & Process (building plants & process plants)
  - On hold until sufficient financial & human resource capacity in place

TPS = Turnkey Project Solutions

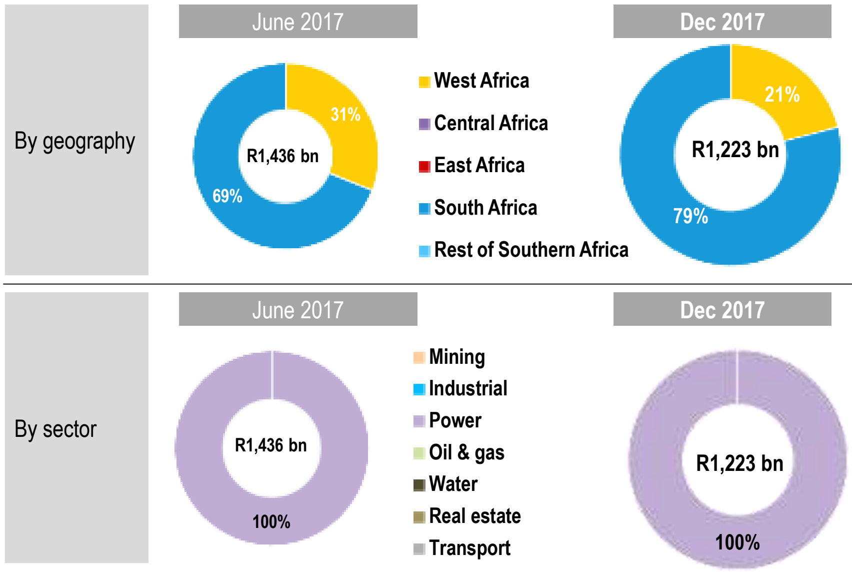
TPS TRACK RECORD USING REVISED FILTER CRITERIA

*The proposed project selection criteria in **green** will align the TPS portfolio to the group's current risk bearing capacity & appetite. The criteria in **red** are undesirable. A review of the 7-year turnkey-type portfolio indicates that the **green** criteria are most likely to attain strong, positive project outcomes.*

	Project	Type	FOAK Tech. G5	Proven Tech.	Equivalent Size in 2017 Rm	Complexity	Location	Bid Level Accuracy*
Power	Aba	Turbine	N	Y	1913	Medium	Nigeria	2
	Ibom	Turbine	Y	Y	2345	Medium	Nigeria	2
	Sasol	Turbine	N	Y	2860	Medium	SA	2
	Kpone IPP	Turbine	N	Y	5200	High	Ghana	4
	Touwsrivier	Solar	Y	N	1428	Medium	SA	4
	Jasper	Solar	N	Y	1680	Low	SA	1
	Klipheuwel	Wind	Y	Y	550	Medium	SA	2
	Noblesfontein	Wind	N	Y	1625	Medium	SA	1
	Kuvaninga	Engines	N	Y	853	Medium	Mozambique	1
	Namakwa Sands	Engines	N	Y	283	High	SA	2
Real Estate	Jackal Creek	Housing	-	-	87	Low	SA	1
	Crystal park	Housing	-	-	171	Low	SA	1
	Khumani Housing	Housing	-	-	247	Low	SA	1
	Crystal Phase 2	Housing	-	-	71	Low	SA	1
	Rooisand Housing	Housing	-	-	69	Low	SA	1
	Edenvale Flats	Housing	-	-	82	Low	SA	1
	Lonmin Flats	Housing	-	-	84	Low	SA	1
	Munitoria Tshwane House	Office	-	-	1200	Medium	SA	1
	Modderfontein Private Hospital	Healthcare	-	-	321	Medium	SA	1
	Kiaat Private Hospital	Healthcare	-	-	140	Medium	SA	1
Infrastructure	King Shaka Airport	Transport	-	-	4590	Medium / High	SA	2
	N17 Link Road - Soweto	Transport	-	-	668	Low	SA	2
	Warwick Triangle Viaduct	Transport	-	-	245	Medium	SA	2
	Plumtree - Mutare Road	Transport	-	-	2746	Low	Zimbabwe	2
	Moma Jetty - Phase 1	Marine	-	-	2	Medium	Mozambique	1
	Moma Jetty - Phase 2	Marine	-	-	109	Medium	Mozambique	2

** Using the American Association of Cost Engineers definition* *TPS = Turnkey Project Solutions* *FOAK = First Of A Kind Technology*

SECURED TPS ORDER BOOK



TPS = Turnkey Project Solutions

O&M LOOKING FORWARD - TRANSPORT

Europe

- Secured advisory service role in Turkish project
- In negotiation to conclude a RRM^ project in Turkey
- Strong pipeline
- Exciting prospects in Greece, Czech Republic, Poland & UK
- Submitted proposal for USA project

South Africa

- Securing new projects by:
  - Targeting three CTROM & Concession tenders
  - Several SANRAL RRM tenders
- Related work beyond tolling: Maintenance in the BRT (Rea Vaya) & O&M for Traffic Control Centres (SANRAL)

O&M = Operations & Maintenance
^ Routine Road Maintenance

O&M LOOKING FORWARD - TRANSPORT

Rest of Africa

- Diversifying into areas beyond tolling:
  - Intelligent Transport Systems - messaging, traffic incident management, network surveillance, weigh in motion
  - Minimal risk; closely aligned to toll fee collections; minimal investment required
- Well advanced O&M project pipeline in select countries:
  - Kenya (D&I is preferred bidder on a project wherein Intertoll would undertake the O&M work)
  - Mozambique (close to being awarded - not a concession, so no investment required)
- In-house technology ready for expansion into African markets
  - Roll-out of low cost toll booth solution (InstaToll®) for Mozambique & Cameroon
  - InstaToll® solution in urban areas & secondary road networks in Mozambique & Zimbabwe
  - Development of a proprietary Freeway Management System (FMS) software to support RRM/HMS growth

O&M = Operations & Maintenance
RRM = Routine Road Maintenance
HMS = Highway Maintenance System

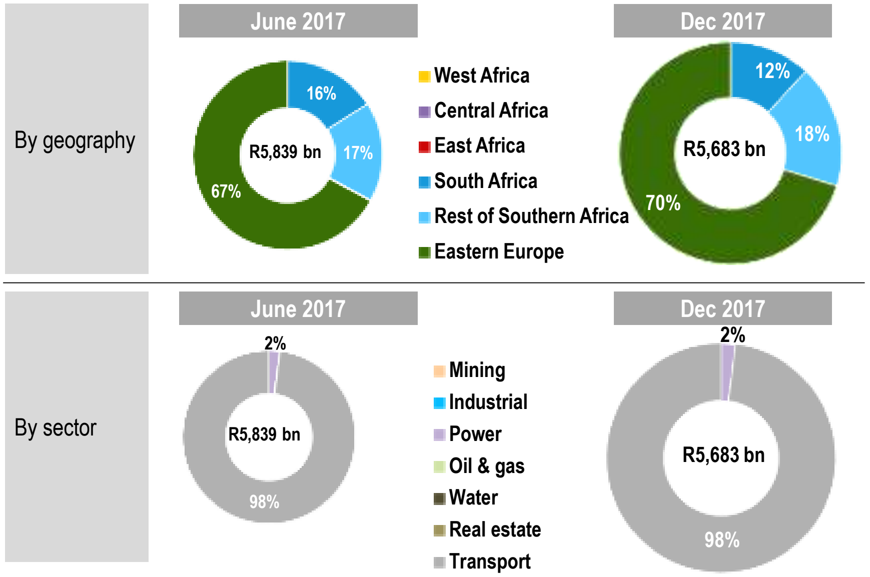
O&M PROJECT SUMMARY - TRANSPORT

Operations & Maintenance

Project	Geography	O+M	Contract type	Km	Group Five investment	End date
M5 Motorway	Hungary	Yes	Availability	156	No	2017
M6 Phase 1	Hungary	Yes	Availability	59	Yes 6.35%	2026
M6 Phase 3	Hungary	Yes	Availability	80	Yes 10%	2037
A1 Phase I & II	Poland	Yes	Toll & availability	152	Yes 7.5%	2040
S8	Poland	Yes	Maintenance	84	No	2018
A1 Phase III	Poland	Yes	Toll	92	No	2022
Westlink	Ireland	Yes	Maintenance	60	No	2036
N1 South	SA	Yes	CTROM	397	No	2019
N2 North	SA	Yes	CTROM	138	No	2022
N4 West	SA	Yes	O&M	110	No	2019
Infralink	Zimbabwe	Yes	O&M	822	No	2024
N3 Marianhill	SA	Yes	CTROM	26	No	2021

O&M = Operations & Maintenance

SECURED O&M ORDER BOOK



O&M = Operations & Maintenance

CONSTRUCTION – SOUTH AFRICA

Looking forward

- Retrenchments continuing into H2 F2018
- Actions required to close down remaining identified entities
  - Complete nuclear PTR shutdowns (Nuclear)
  - Complete Caledon, Tugela River Bridge & Dinkleman Road Projects
- Continued focus on efficient execution of current contracts
- Close out historical contracts
- Repair & re-establish our reputation & brand with partners
- Expand current relationships with key clients (with tangible future prospects through delivery excellence)
- Implementation of restructure initiatives continue in H2 F2018 to be completed in H2 F2018 to allow for benefits to flow from F2019

05

APPENDIX 2

CONSTRUCTION: REST OF AFRICA

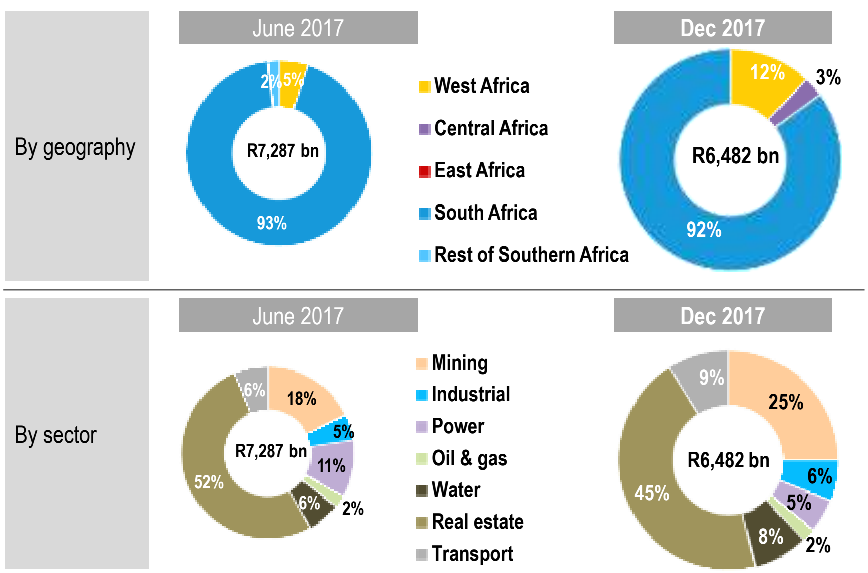
Looking forward

- Focus on continued effective project management & delivery excellence
- Exited 6 non-operational countries,
  - Continue de-registration of rest
- New prospects due to:
  - Demand for exotic minerals in commodity markets
  - Increased appetite for mining sector funding unlocking new opportunities
- Good, secure order book in Guinea & in Burkina Faso
- Implementation of balanced SMEIP order book through existing Oil & Gas opportunities

05

APPENDIX 2

SECURED CONSTRUCTION ORDER BOOK



MULTI-YEAR TARGET OPPORTUNITY PIPELINE

	Total as at 31 December 2017: R150bn							F2017	Pre-Tender & Tender^
	Rest of Africa split			Local split					
By sector (Rbn)	Total	Private	Public	Total	Private	Public	Total	Total	
Mining	12	12	-	18	8	10	30	19	8
Industrial	-	-	-	13	11	2	13	13	3
Power	30	30	-	2	2	-	32	36	4
Oil & Gas	2	1	1	1	1	-	3	3	2
Water	2	-	2	8	-	8	10	14	8
Building	1	1	-	17	17	-	18	30	25
Housing	4	4	-	5	4	1	9	1	8
Transport	10	-	10	25	-	25	35	35	34
Total	61	48	13	89	43	46	150	151	92
Pre-Tender & Tender^	18	8	10	74	30	44			92

- 41% = Rest of Africa opportunities
- 30% = SA public sector

- Outlook in favour of key growth sectors of transport, power & mining

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

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

MANUFACTURING

Looking forward

Fibre Cement - Everite

- AAC process improvements & volume growth will result in this new business unit contributing to earnings from H2 F2018
- Internal efficiency projects will continue to reduce overall production cost

Steel - BRI

- Focus will remain on production & process efficiencies and remaining the lowest cost producer of reinforcing steel products
- Business sustainability & risk management will remain a focus area as the construction sector continues to struggle

Steel - Pipe

- Work procurement will remain key in a tough market

AAC = Aerated Autoclaved Concrete