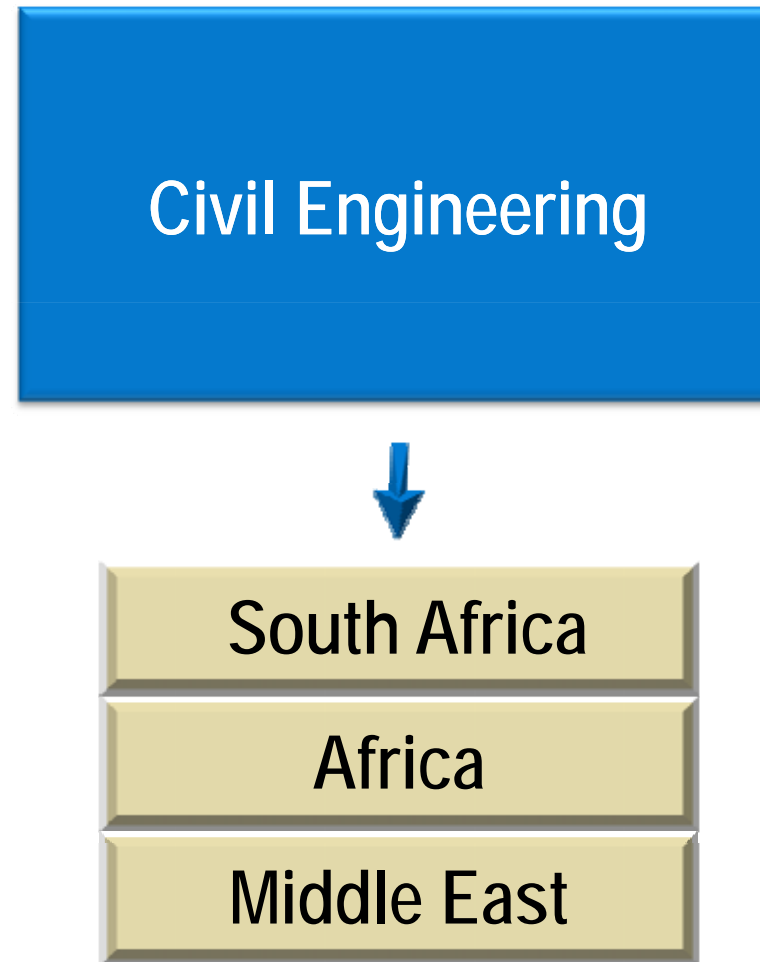




INVESTOR MANAGEMENT DAY – CIVIL ENGINEERING



*Strategic Objectives*







*Market Outlook - Short Term / Longer Term*

*Market Issues*

*Market Positioning*





*Some Current and Recently Secured Contracts*

# Strategic Objectives

-  To sustain growth in the Civil Engineering business supported by three separate markets (SA, Africa, and Middle East)
-  To accelerate the growth of the business, both organically and through margin-enhancing complementary activities
-  To optimise current local opportunities, whilst not neglecting the cross-border operations
-  To improve profit margins locally, up to a level similar to those achieved internationally in construction
-  To leverage our construction risk responsibly to enhance our margin
-  To vigorously defend ourselves against the transfer of unmanageable risk to the contractor

# Market Outlook

## *Short term:*

-  Massive Public Infrastructure spend  
(Power, Water, Roads, Ports and Harbours)
-  More conservative Private Industrial spend
-  Mining expansion in Africa
-  Some curtailed projects (power concerns)

## *Longer term:*

-  Continued Public Infrastructure spend
-  Public Concession Projects, or
-  Public Private Partnerships (Power, Tollroads)
-  Mining expansion in Africa
-  Continued Mining and Industrial growth in SA

## ***Market Issues – continually assessed***

- ↳ Escalation (Cost Increases: steel, cement, bitumen, fuel)
- ↳ Uncertainties in SA (economy, energy, and political)
- ↳ Resource shortages / leadtimes (people, plant, and material)
- ↳ Labour activity
- ↳ Competence and capacity (client / professional team)
- ↳ Delayed contract awards
- ↳ Public procurement policy variations

# Market Positioning

- Targeting large projects which combine the Civil and Building disciplines, utilising spare Building capacity to secure more of the Civil market
- Generally focusing on the large projects, ensuring higher Turnover Outputs per Input (management and support)
- Developing international partnerships (JV and consortium) to enhance construction capacity
- Offering Turnkey and other broader solutions, by combining with our Engineering businesses
- Countering resource constraints by partnering with the G5 Academy and Training Centres

## *Some current and recently secured contracts*

Previously reported	Value	G5 Stake	Duration	Start Date
King Shaka International Airport	R6,8bn	37%	3,0 years	June 2007

On programme and accelerating contract for early completion

Four Seasons Hotel Mauritius	R360m	50%	1,0 year	Aug 2006
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Approaching handover of main hotel structures

Durban Harbour Entrance Widening	R1,8bn	65%	3,0 years	May 2007
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Contract progression well with all activities now underway

N17 Nasetwo Highway SA	R346m	91%	26 months	Oct 07
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Design underway and construction commencing

Tank 12 Cabinda – Angola	R100m	100%	18 months	Jan 08
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On programme

Recently secured	Value	G5 Stake	Duration	Start Date
Koeberg Road Interchange	R600m	80%	2,5 years	May 08

Contract to commence in May 08, contract awarded in April 08