GROUP FIVE
structured ingenuity

AUDITED GROUP RESULTS 2015

for the year ended 30 June 2015

GROUP FIVE
structured ingenuity

AGENDA

SECTION 01 — OVERVIEW OF F2015

SECTION 02 — FINANCIAL REVIEW

SECTION 03 — SEGMENTAL REVIEW

SECTION 04 — GROUP PROSPECTS

SECTION 01

OVERVIEW OF F2015

Medtronics building

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Financial summary

	F2015 vs. F2014	F2015 Audited	H2 F2015 Unaudited	H1 F2015 Unaudited Restated*	F2014 Audited Restated*
Revenue – Rm	-10%	**13 876**	6 973	6 903	**15 360**
Operating profit – Rm	-43%	**366**	160	206	**643**
HEPS – Rand	-50%	**2,05**	0,96	1,09	**4,07**
Fully diluted HEPS – Rand	-49%	**2,04**	0,96	1,08	**3,99**
EPS – Rand	-45%	**2,22**	1,04	1,18	**4,01**
Fully diluted EPS – Rand	-44%	**2,21**	1,04	1,17	**3,94**
Dividends per share – cents *Maintained policy of 4.0 x covered on EPS*	-45%	**55,0**	25,0	30,0	**100,0**

Headline earnings:
F2015 earnings adjusted mainly for profit on fair value adjustment of an investment property held by an associate

* *Restated for the application of IFRS 5 as a result of the transfer of the remaining business within the Construction Materials discontinued operations into the Manufacturing cluster*

Results in context

Very disappointing F2015	▪ **Operating performance disappointing** – **Engineering & Construction (E&C):** very weak operational performance › Overall challenging market conditions › **Civil Engineering:** loss making - execution issues & retrenchment costs › **Projects:** operational difficulty on 1 contract › **Energy:** contract completion costs & nuclear holding costs › **Building & Housing:** in line with expectation – **Manufacturing:** solid performance despite flat to declining markets – **Investments & Concessions:** improved result - sturdy Intertoll Europe performance
Corrective action taken	▪ **Acted fast to address problem areas** – E&C cluster restructured › Established with high-level management, including independent operational responsibility › Implemented substantive restructuring & retrenchment programme in Civils* ▪ **Order book intake** improved during H2 F2015 ▪ **Group cash collection good**

** Further detail supplied in the E&C segmental review*

SECTION 02

FINANCIAL REVIEW

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Income statement

Rm	F2015 vs F2014 %	F2015 Audited	F2014 Audited Restated*
Revenue	-10%	13 876	15 360
Operating profit & margin % *- including fair value adjustments*	-43%	366 *2.6%*	643 *4.2%*
Profit before net finance cost & taxation	-42%	391	671
Net finance cost	-	(2)	(2)
Profit before taxation	-42%	389	669
Effective tax rate %	-	28%	34%
Profit after taxation	-36%	280	439
Non-controlling interest	-	(56)	(38)
Net profit	-44%	224	401

** Restated for the application of IFRS 5 as a result of the transfer of the remaining business within the Construction Materials discontinued operations into the Manufacturing cluster*

Underlying performance

	Target range (set at H1 F2015 reporting date)	F2015 Core margin achieved %*	
Engineering & Construction			
Building & Housing	2 – 4% Short term just below range	1.9%	Below target range Within guidance
Civil Engineering	3 – 5%, Short term 0 – (2%)	(3.6%)	Below target range Below guidance
Projects	5 – 8%	0.9%	Below target range**
Energy	3 – 5%, Short term below range	1.3%	Below target range Within guidance
Investments & Concessions	15 – 20%	23.8%	Above target range
Manufacturing	6 – 8%	6.4%	Within target range#

** Core margin is total margin adjusted for non-core transactions of e.g. pension fund surplus/deficits, but not adjusted for profit/loss on sale of assets*
*** Excluding losses from one local contract, the segment would have reported results within target range at 6.2%*
 # Manufacturing margin excluding Construction Materials is 7.5%. Construction Materials (now 1 small business) generated an operating profit but F2015 affected by loss on sale of fixed assets and non-recurring depreciation.

Legacy issues

- **Competition Commission (CompCom)**
  - Leniency obtained on all matters reported
  - Implicated in 4 matters; not settled due to lack of evidence & factual discrepancies
    - 2 matters dropped by CompCom - insufficient evidence
    - 2 remaining matters:
      - Group Five elected to assess its position on referral to the Tribunal
      - CompCom's referral to Tribunal thus anticipated
      - Provision assessment unchanged
- **Middle East – NAV R69m**
  - Operations closed; costs no longer material
  - Further progress on final close-out of all matters
  - Payments received quarterly
  - Debtors & contracts in progress to be recovered
- **Construction Materials – NAV R29m**
  - Remaining business integrated into Everite's supply chain
  - Transferred to continued operations within the Manufacturing cluster

Cash flow

Rm	F2015 Audited	F2014 Audited Restated*
Operating cash	425	903
Working capital changes	119	(531)
Net finance cost	(2)	(2)
Trade & other payables	1	423
Trade & other receivables	367	(583)
Contracts in progress	(244)	(333)
Inventories	(5)	(38)
Total change	119	(531)

Working capital

- Reduction in excess billings more than offset by increase in advance payments
- Improved receivables collection

Net finance costs

- In line with expectation

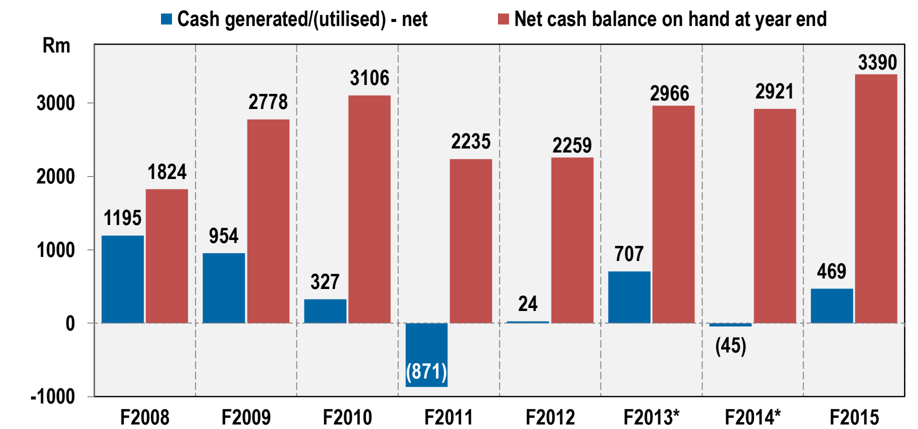
* *Restated for the application of IFRS 5 as a result of the transfer of the remaining business within the Construction Materials discontinued operations into the Manufacturing cluster*

Cash flow

Rm	F2015 Audited	F2014 Audited Restated*
Operating cash	425	903
Working capital changes	119	(531)
Cash generated from operations	544	372
Net finance cost	(2)	(2)
Tax & dividends paid	(304)	(220)
Net cash generated from operating activities	238	150
Net investing activities	(70)	(151)
Net financing activities	218	(85)
Effect of exchange rates on cash	83	41
Movement in cash	469	(45)
Cash & cash equivalents on hand – end of year	3 390	2 921

* *Restated for the application of IFRS 5 as a result of the transfer of the remaining business within the Construction Materials discontinued operations into the Manufacturing cluster*

Cash flow



Net gearing %	nil	nil	nil	nil	nil	nil	nil	nil

- Cash on hand is healthy given current weak market environment
- Excess cash will be applied to future equity investments, mainly in Investments & Concessions

* *Restated for the application of IFRS 5 as a result of the transfer of the remaining business within the Construction Materials discontinued operations into the Manufacturing cluster*

Capital expenditure

Cluster Rm	Budget F2016	Original Budget F2015	Actual F2015	Nature of F2015 spend %		
				Expansion	Replace-ment	Contract specific
Engineering & Construction	260	194	104	*22%*	*40%*	*38%*
Investments & Concessions	22	15	15	*66%*	*34%*	-
Manufacturing	95	49	29	*90%*	*10%*	-
Total	377	258	148	*40%*	*34%*	*26%*

- Combination of replacement & contract-specific capex for secured West African & South African contracts & operations and maintenance contracts
- Spend relates mainly to rolling replacement & expansion of fleet in Intertoll Europe business
- Spend relates to production line expansion to meet market demands

Key financial ratios

	F2015 Audited	F2014 Audited Restated*	F2013 Audited Restated*	Targets
Net gearing – debt to equity ratio %	-	-	-	maximum 33
Cash from operations before working capital changes (Rm)	425	903	640	cash generative
Cash from operations (Rm)	544	372	961	cash generative
Net increase /(decrease) in cash (Rm)	469	(45)	707	cash generative
Cash on hand at year end (Rm)**	3 390	2 912	2 966	n/a
External guarantees unutilised (Rm) Total facility at year end (Rm)	5 306 12 450	8 739 12 382	5 652 10 021	Sufficient for tender
Return on shareholders equity – %	8.1%	16.8%	13.0%	15% - 20% medium to long term

* *Restated for the application of IFRS 5 as a result of the transfer of the remaining business within the Construction Materials discontinued operations into the Manufacturing cluster*

** *Excluding cash included in non-current assets classified as held for sale*

SECTION 03

SEGMENTAL REVIEW

Mall of Africa

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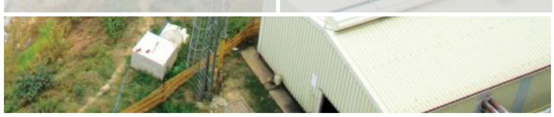
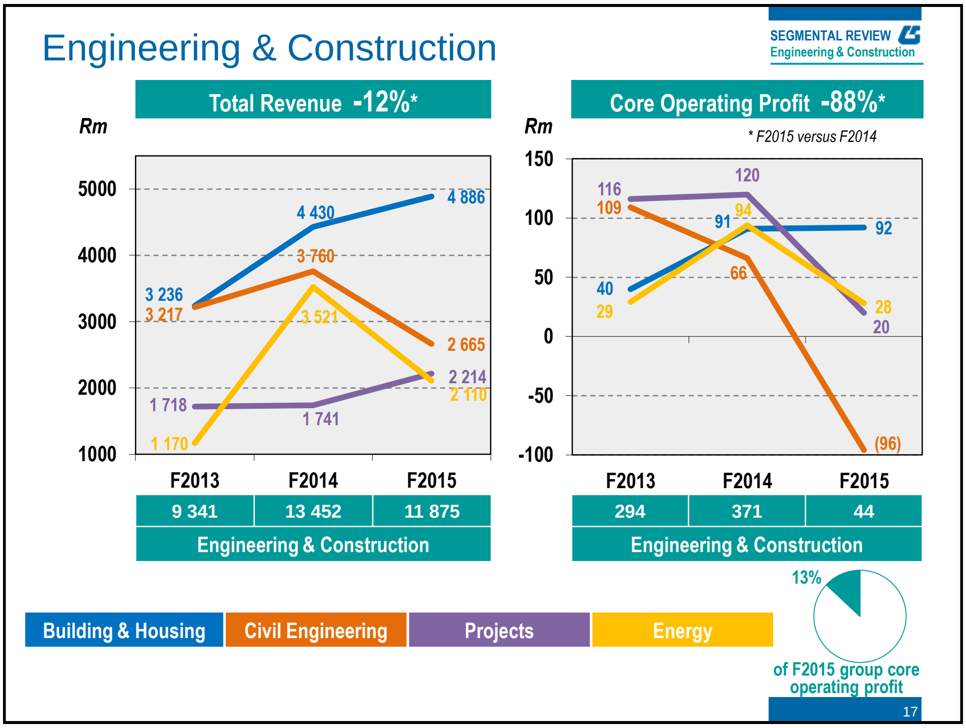
SECTION 03

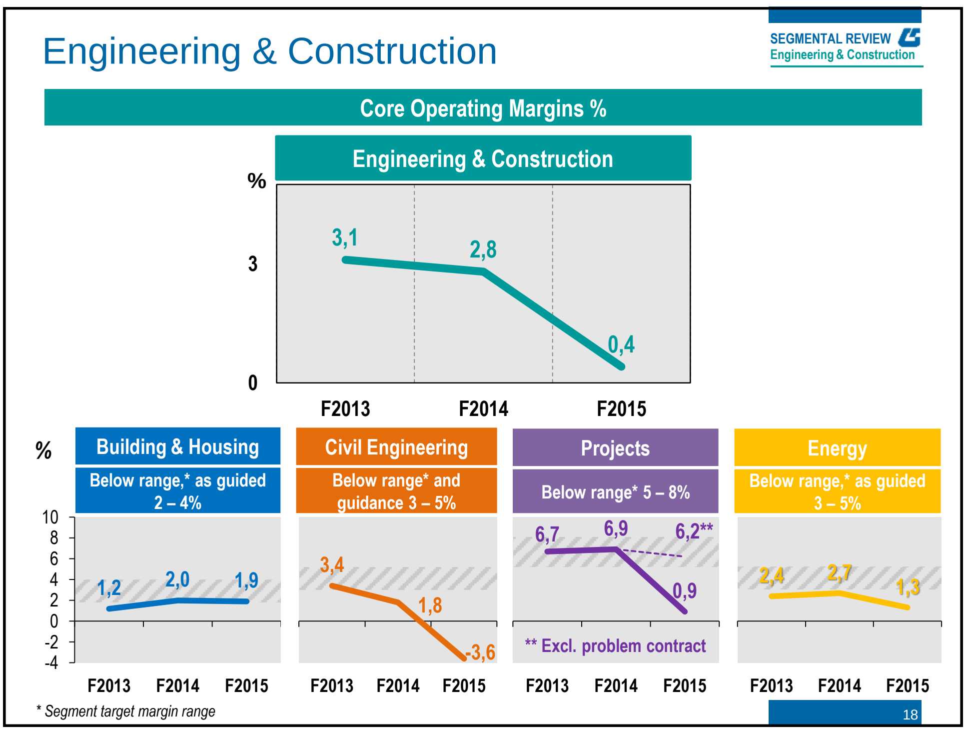
SEGMENTAL REVIEW

Darvill Waste Water Treatment Works upgrade

Engineering & Construction	Investments & Concessions	Manufacturing
Building & Housing	*Transport*	*Fibre Cement*
Civil Engineering	*Real Estate*	*Steel*
Projects		
Energy		




Engineering & Construction
SEGMENTAL REVIEW
Engineering & Construction
Total Revenue -12%*
Core Operating Profit -88%*
* F2015 versus F2014
Rm
5000
4000
3000
2000
1000
4 886
4 430
3 760
3 236
3 217
3 521
2 665
2 214
2 110
1 718
1 741
1 170
F2013
F2014
F2015
9 341
13 452
11 875
Engineering & Construction
Rm
150
100
50
0
-50
-100
116
109
120
94
91
92
66
40
29
28
20
(96)
294
371
44
13%
of F2015 group core operating profit
Building & Housing
Civil Engineering
Projects
Energy
17


Engineering & Construction
SEGMENTAL REVIEW
Engineering & Construction
Core Operating Margins %
Engineering & Construction
%
3
0
3,1
2,8
0,4
F2013
F2014
F2015
Building & Housing
Below range,* as guided 2 – 4%
Civil Engineering
Below range* and guidance 3 – 5%
Projects
Below range* 5 – 8%
Energy
Below range,* as guided 3 – 5%
10
8
6
4
2
0
-2
-4
1,2
2,0
1,9
3,4
1,8
-3,6
6,7
6,9
6,2**
0,9
** Excl. problem contract
2,4
2,7
1,3
* Segment target margin range
18

Engineering & Construction

Year under review

- Generally tough market conditions continue; but improved order intake during H2 F2015
- Overall very disappointing performance; loss-making ratio worsened
- Cash performance solid

Building & Housing

South Africa
- Solid performance in line with plan
- Significant awards incl. Munitoria PPP
- Slow order intake in W. Cape

Rest of Africa
- Capital Place office development in Ghana completed
- No new building projects secured

Civil Engineering

South Africa & Rest of Africa
- Very slow market; SA order book decline
- Ongoing tight market & low margins
- Loss-making contract in E. Cape*
  - Poor estimating, extended contract negotiation period, poor handover, late start, compact site, labour unrest & low productivity
- Corrective action included restructuring & retrenchment costs
  - Bulk of retrenchment costs taken in F2015
- Some Civils contracts impacted by ongoing industrial action & low productivity

Projects

South Africa
- Losses in H2 from same project as Civils
- Impacted by low mining activity
- Labour unrest further undermined productivity

Rest of Africa
- Strong performance on over-border contracts
- Progress on new gold mine in Burkina Faso
- Impacted by poor mining sector outlook

** Findings and lessons learnt on the loss-making Eastern Cape contract are provided in appendix 1 to this presentation*

Engineering & Construction

Year under review

Energy

Power

South Africa
- Underperformance due to REIPPP* contract completion costs in H1
- All renewable energy projects completed – successful programme overall
- Local tender market remained active
- Good cash contributor

Rest of Africa
- Kpone award delayed but commenced in line with execution plan**
- Kuvaninga power contract in Mozambique progressing well; nearing completion
- Active over-border tender market

Oil & Gas

South Africa

Performance behind plan
- Market under pressure - declining oil price & delays in “Clean Fuels” projects
- Shut-down turnaround contracts on track

Rest of Africa
- Delays in new project awards - declining oil price
- Expansion into Africa on track
  - Good prospects
  - Early stage FEED^ studies in East & West Africa

Nuclear

South Africa
- Continued investment in nuclear capability
- Achieved original objective of being nuclear certified to Q1L1 status
- Progress in local nuclear build delay longer than expected

** Renewable Energy Independent Power Producer Programme*　*^ Front End Engineering & Design*

*** Risk mitigation detail on the Kpone contract provided in appendix 2 to this presentation*

Building & Housing

SEGMENTAL REVIEW
Engineering & Construction

Going forward

Building	Housing
South Africa ▪ Good order book in Gauteng & KZN with prospects in W. Cape ▪ Margins remain low ▪ Sub-contractor base stretched - capacity constraints	**South Africa** ▪ Good order book ▪ Decline in mine housing anticipated due to sector weakness ▪ Support G5 Properties on select opportunities ▪ Good prospects secured** in low cost housing but notice to proceed delayed into F2016
Rest of Africa ▪ Investigating suitable prospects in sub-Saharan Africa ▪ Focus on select opportunities with G5 Properties & other developers ▪ Establish key partnerships with local contractors	**Rest of Africa** ▪ Opportunities in oil & gas, mining & power sectors ▪ Focus on select opportunities with G5 Properties & other developers ▪ Establish key partnerships with local contractors

Segment target margin range* remains 2 – 4%, short term lower end of range

R6 094m order book

100% SA

0% Over-border

* 2-3 year guidance

** Not yet included in Contracting order book

Civil Engineering

SEGMENTAL REVIEW
Engineering & Construction

Going forward

South Africa

- Financial performance challenges set to continue:
  - Very competitive, weak market for another circa18-24 months
  - Prospects in power sector offset by imminent completion of Kusile civil works
- Sector outlook:
  - Public sector roll out still not clearly visible
  - Improved outlook for road & some water projects but still highly competitive
  - Mining & Industrial markets still weak but select opportunities in both
- Action:
  - Focus on efficient execution (productivity & quality)
  - Tactical positioning to ensure effective cost base for new work

Rest of Africa	Middle East
▪ Expect new Transport awards ▪ Target opportunities Power, Transport & Resources ▪ Support Group EPC and I&C opportunities	▪ Focus on agreeing final accounts & collecting cash

Segment target margin range* reduced to 2 – 4%, short term lower end of range

R3 293m order book

53% SA	47% over-border

* 2-3 year guidance

Projects

SEGMENTAL REVIEW
Engineering & Construction

Going forward

South Africa

- Focused effort to improve F2016 order book
- Mining sector weak
  - commodity prices & labour issues
  - select opportunities in sector
- Industrial sector slow with some limited prospects
- Particular focus on Power and Oil & Gas SMEIP** prospects
- Higher proportion of lower margin work in total order book

Rest of Africa

- Good F2016 order book
  - Including secured mining EPC project in Burkina Faso
- Margin under pressure – more competitors
- Higher-margin mining & industrial sectors weak, with a few select opportunities
- Focus on:
  - Securing EPC mining prospects
  - Supporting Energy segment on EPC & over-border prospects
  - Entering new African countries

Segment target margin range* reduced to 3 – 6%, short term lower end of range

R2 855m order book	
18% SA	82% over-border

** Structural, Mechanical, Electrical, Instrumentation & Piping

* 2-3 year guidance

Energy

SEGMENTAL REVIEW
Engineering & Construction

Going forward

South Africa & Rest of Africa

Power

- Good prospects but unpredictable lead times
  - renewable power in SA remains a focus
  - expansion within rest of Africa
- Demand for power in SA Mining & Industrial continues to rise
- Over border mining power constraints provide opportunities
- Continue securing EPC work for broader group

Oil & Gas

- Orders required to secure F2016
- Good opportunities locally & over-border, but low oil price could have an impact
- SA turnaround & shutdown market remains positive but competitive
- Weaker margins due to influx of foreign competitors

Nuclear

- Clearer outlook for nuclear build programme expected in F2016
  - well placed to participate
- One of a few contractors currently active

Segment target margin range* remains 3 – 5%; short term lower end of range

Secured O+M ** order book R227m^ conservative value

R1 905m order book	
14% SA	86% over-border

* 2-3 year guidance

** O+M = Operations & Maintenance Services (refer O+M order book)

^ O+M specific to industrial, oil & gas and power. This is in addition to the I&C O+M of R4,5bn

Engineering & Construction

Going forward summary

Addressing underperformance

- "Construction" and "Engineering & Construction" restructured under 1 leadership team
  - Immediate standardisation of procedures across segments
  - Improving accuracy of estimating, tendering & determination of costs to completion
  - Quality a specific stand-alone, measurable discipline
  - Anticipate improved delivery
    - Increased team responsibility, accountability & consequences for poor delivery
    - Risk systems & contract approval framework enhanced
- Strengthened senior leadership with experienced management

Focus

- Continue expansion into target African countries; particular focus on Transport, Energy & Mining
- Work closely with SA government & labour to minimise work disruptions & improve productivity
- Seamless delivery of multi-disciplinary projects in Africa through single delivery vehicle
- Accelerated focus on succession planning in line with transformation objectives

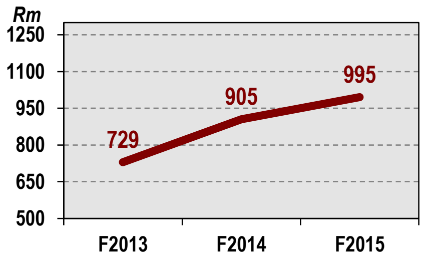
SECTION 03

SEGMENTAL REVIEW

Engineering & Construction	Investments & Concessions	Manufacturing
Building & Housing	***Transport***	*Fibre Cement*
Civil Engineering	***Real Estate***	*Steel*
Projects		
Energy		

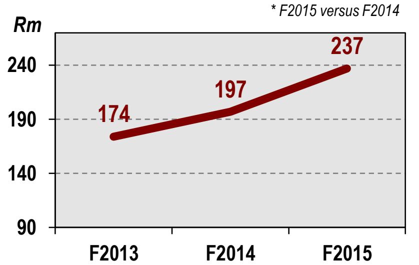
Investments & Concessions

Revenue + 10%*



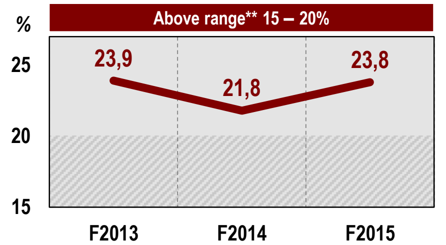
Core Operating Profit *(incl. FVAs^)* **+ 20%***

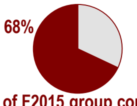
** F2015 versus F2014*



Core Operating Margin %

Above range 15 – 20%**





of F2015 group core operating profit

^ FVA = Fair Value Adjustments
*** Cluster target margin range*

Transport

Year under review

Intertoll Europe
- Bidding on a number of PPP and O&M opportunities
- Cost optimisation focus delivered good results
- Equity investments delivered growth in line with expectation

Intertoll Africa
- 9 toll plazas in Zimbabwe fully operational & performing well
- Progress on N4 West system integration (in line with programme & budget)
- Significant effort to enhance efficiency on local contracts

Going forward

Intertoll Europe
- Strong emphasis on geographic diversification for growth
- Targeting projects in Norway, Czech Republic, Russia, Turkey & Kazakhstan
- Early stage evaluation of USA prospects with existing European partners

Intertoll Africa
- Bidding on projects in Ghana, Gabon, Uganda, Nigeria, Lesotho, Zimbabwe, Zambia & DRC
- Continued development of in-house Toll system key to unlock value for business

Cluster target margin range^ remains 15 – 20%

Secured concessions O+M* order book R4,5bn conservative value**

** O+M = Operations & Maintenance Services;* (refer O+M* order book)
*** O+M specific to transport concessions. This is in addition to the E+C O+M of R227m*
^ 2-3 year guidance

Real Estate

Year under review

Progress on repositioning of portfolio: now A grade developments

Kalahari mall	retail	Upington	Performing well, phase II option
Capital Place	offices	Ghana	95% let, on plan
St Aidan's	residential	JHB	All phases completed
The Angle on Oxford	mixed use	JHB	Rights in place. Marketing now.
North Point	industrial	Cape Town	Bulk infrastructure completed

Going forward

Expansionary African footprint:

West Africa	Projects in Nigeria & Gabon
East Africa	Uganda PPP, retail in Tanzania & Kenya
Southern Africa, including SA	Residential in SA, retail in Zimbabwe, mixed use in Botswana

Cluster target margin range^ remains 15 – 20%

^ 2-3 year guidance

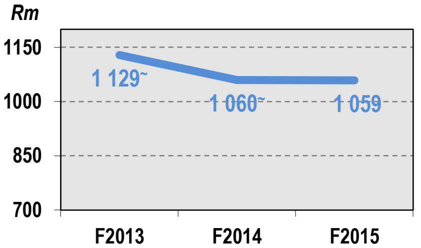
SECTION 03

SEGMENTAL REVIEW

Engineering & Construction	Investments & Concessions	Manufacturing
Building & Housing	*Transport*	***Fibre Cement***
Civil Engineering	*Real Estate*	***Steel***
Projects		
Energy		

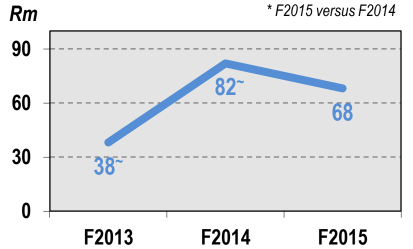
Manufacturing

Revenue 0%*



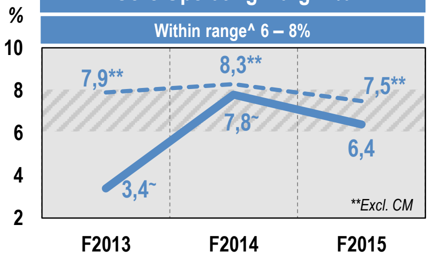
Core Operating Profit -17%*

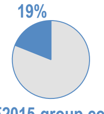
* F2015 versus F2014



Core Operating Margin %

Within range^ 6 – 8%





of F2015 group core operating profit

~ Restated for the application of IFRS 5 as a result of the transfer of the remaining business within the Construction Materials (CM) discontinued operations into the Manufacturing cluster ^ Cluster target margin range

Manufacturing

Year under review

Everite & ABT

- Disappointing market conditions led to decline in sales volumes – impacting recoveries
- Margin pressure somewhat mitigated by:
  - Excellent efficiency gains
  - Cost reduction
  - Product range enhancement
  - Export growth to SADC region

BRI

- Depressed civil engineering sector - falling steel prices dampened results
- Record volumes from growth in steel trading

Steel Pipe

- Solid performance in diminishing market; impacted by slow tender awards & July steel strike

Going forward

Everite & ABT

- Further drive to reduce costs in challenging market
- Re-engineering of materials handling to improve machine efficiency
- Further growth in complementary products
- ABT:
  - growth within targeted low-cost housing sector
  - development of new lightweight building material

BRI

- Civil Engineering demand to remain subdued, leading to excess rebar market capacity
- Further cost reduction as demand continues to slow
- Evaluating Africa supply model into target countries

Steel Pipe

- Poor market - awaiting award of large planned steel pipe contracts
- Cost containment is key while waiting

Cluster target margin range* remains 6 – 8%

* 2-3 year guidance

SECTION 04

GROUP PROSPECTS

› Order books

› Group outlook

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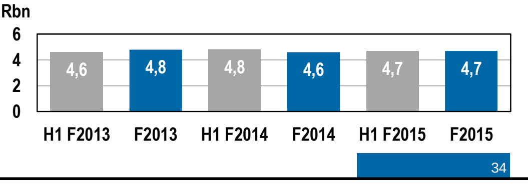
Secured Operations and Maintenance order book – *annuity income*

Rm	Actual revenue				Order book		
	F2012	F2013	F2014	F2015	F2016	3-year to F2019	Total secured *
Transport	555	654	834	**892**	835	2 022	**4 460**
Industrial, Oil and Gas	126	59	224	**157**	71	-	**71**
Power	-	-	-	**24**	42	105	**156**
Total	**681**	**713**	**1 058**	**1 073**	**948**	**2 127**	**4 687**



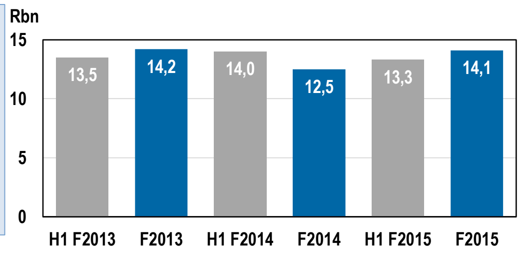
** Total secured order book is:*
- *valuation to first review date of secured contracts only*
- *valued using real cash flows (excluding escalation clauses)*

Secured Contracting order book

	Total	Building & Housing	Civil Engineering	Projects	Energy
Total order book – Rm 30 June 2014	12 549*	6 833	2 442	2 100	1 174
Total order book – Rm 30 June 2015	**14 147***	**6 094**	**3 293**	**2 855**	**1 905**
% Over-border	**39%**	**-**	**47%**	**82%**	**86%**
▪ Public over-border	-	-	-	-	-
▪ Private over-border	39%	-	47%	82%	86%
% Local	**61%**	**100%**	**53%**	**18%**	**14%**
▪ Public local	33%	51%	39%	1%	10%
▪ Private local	28%	49%	14%	17%	4%

Construction order book improved by 13% year on year

- Good quality mix of work, covering SA & rest of Africa
- In target sectors
- Good share EPC/multi-disciplinary work



* *Values include only Group Five's portion of fully secured construction work*

Secured Contracting order book

	Total	Building & Housing	Civil Engineering	Projects	Energy
Total order book – Rm 30 June 2014	12 549*	6 833	2 442	2 100	1 174
Total order book – Rm 30 June 2015	**14 147***	**6 094**	**3 293**	**2 855**	**1 905**
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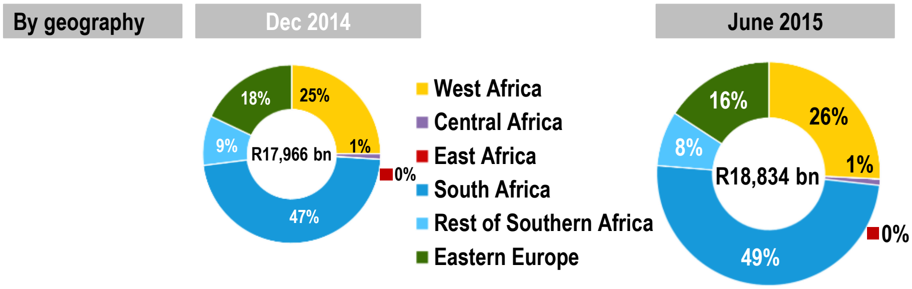
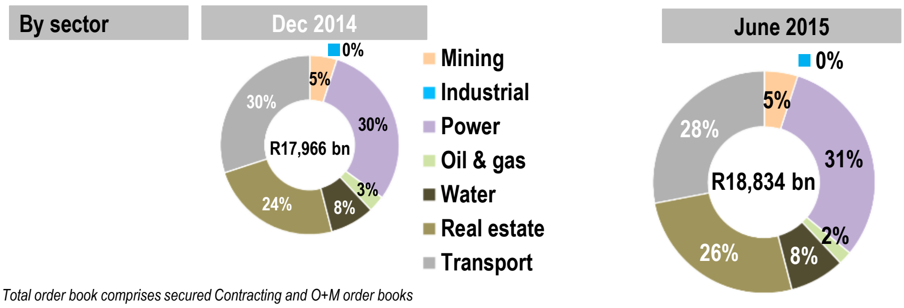
▪ Public local	33%	51%	39%	1%	10%
▪ Private local	28%	49%	14%	17%	4%
1 year order book from 1 July 15 Rm	**9 778**	**4 386**	**2 143**	**1 976**	**1 273**
1 year order book as % of F2015 revenue	**84%**	**90%**	**80%**	**89%**	**66%**
Total order book as % of F2015 revenue	**121%**	**125%**	**124%**	**129%**	**99%**

- Order book enhanced with award of Kpone power contract - Notice to Proceed received Dec 2014
  - Allocated to Civil Engineering, Projects & Energy segments responsible for contract execution
- Improved level of contract awards in H2 F2015

* *Values include only Group Five's portion of fully secured construction work*

Secured total* order book





* *Total order book comprises secured Contracting and O+M order books*
Refer Appendix 3 for graphical representation of Contracting order book

Multi-year target opportunity pipeline*

	Total as at 30 June 2015: R225bn							Dec 2014
	Rest of Africa split			Local split			Total	
By sector (Rbn)	Total	Private	Public	Total	Private	Public		Total
Mining	20	20	-	17	17	-	37	36
Industrial	2	2	-	2	2	-	4	5
Power	16	16	-	14	7	7	30	34
Oil & Gas	24	23	1	6	6	-	30	25
Water	10	2	8	10	-	10	20	16
Building	1	1	-	8	5	3	9	11
Housing	-	-	-	1	-	1	1	3
Transport	59	35	24	35	6	29	94	70
Total	132	99	33	93	43	50	225	200

- 59% = Rest of Africa opportunities
- 22% = SA public sector

87% of group awards during the year came from the pipeline presented in June 2014

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

Multi-year target opportunity pipeline*

	Total as at 30 June 2015: R225bn							Dec 2014	Pre-Tender and Tender^
	Rest of Africa split			Local split					
By sector (Rbn)	Total	Private	Public	Total	Private	Public	Total	Total	
Mining	**20**	20	-	**17**	17	-	**37**	**36**	**16**
Industrial	**2**	2	-	**2**	2	-	**4**	**5**	**2**
Power	**16**	16	-	**14**	7	7	**30**	**34**	**17**
Oil & Gas	**24**	23	1	**6**	6	-	**30**	**25**	**7**
Water	**10**	2	8	**10**	-	10	**20**	**16**	**1**
Building	**1**	1	-	**8**	5	3	**9**	**11**	**2**
Housing	**-**	-	-	**1**	-	1	**1**	**3**	**1**
Transport	**59**	35	24	**35**	6	29	**94**	**70**	**28**
Total	**132**	99	33	**93**	43	50	**225**	**200**	**74**
Pre-Tender & Tender^	**49**	38	11	**25**	20	5			**74**

- 59% = Rest of Africa opportunities
- 22% = SA public sector

- Outlook in favour of key growth sectors of power, oil & gas and transport

87% of group awards during the year came from the pipeline presented in June 2014

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

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

SECTION 04

Kusile Power Station

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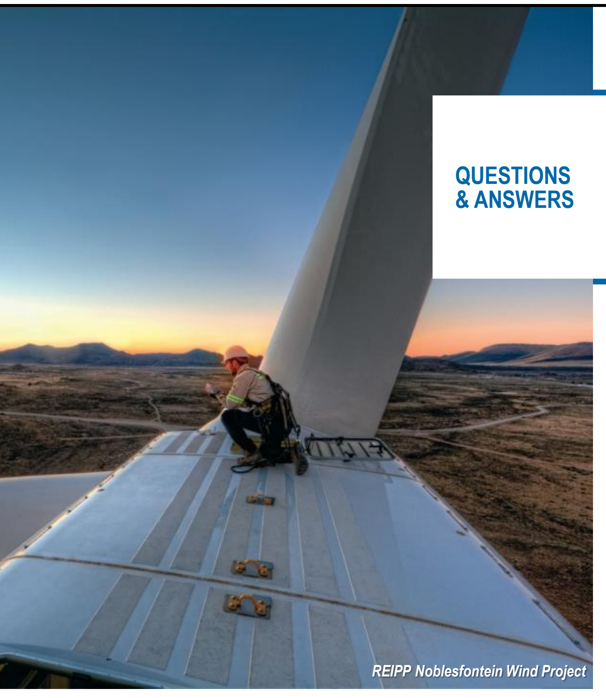
Group outlook

Strategy	Africa's leading **project development, construction & concessions group** Southern Africa's leading **light-weight dry building materials manufacturer** Eastern European based **toll motorway development, investment & operating company**
South Africa	**Market still subdued**, but with activity in some areas – real estate, power, transport & water Large public sector led **infrastructure work not yet coming through** – Civils now appropriately sized, positioned & managed for smaller, competitive market **Competition matter** needs finality so industry & clients can progress
Rest of Africa	**39% of Contracting order book in rest of Africa** **59% of pipeline ex-SA**, robust in transport, energy & resources Kpone (Ghana) award a significant milestone in our African growth **Growing pipeline** of quality **concession prospects**, particularly transport Targeting incremental growth of our **manufactured** product markets in Southern Africa
Eastern Europe	Current Polish and Hungarian markets present **selected O&M opportunities** Portfolio of **target new concession projects** expected to deliver results in 2 – 3 years

Group outlook

Order books	**Total reported order book** **R18,8bn (F2014: R17,1bn)** – Contracting R14,1bn (F2014: R12,5bn) – Operations & Maintenance R 4,7bn (F2014: R 4,6bn)
Group margin	**Lower cost base & reduced contract losses** **Margin pressure to continue for F2016** – Local market outlook remains subdued, particularly for Civils – Order book mix › Ongoing high relative contribution from lower-margin Building & Housing › Reduced margins for Civil Engineering & Projects – Early stage profit recognition for Kpone IPP (Ghana) – Continued investment in nuclear ahead of potential roll-out – Tough local manufacturing environment, with poor demand visibility – Positive margin support from Investments & Concessions
Cash & balance sheet	**Strong balance sheet** – net ungeared Opening **cash on hand healthy** at R3,4bn; **expect some unwind** through F2016
Returns	Total **ROE at 8.1%** (F2014: 16.8%) – focus to return to target range in medium term
Earnings F2016	**Market conditions tightening** in certain areas, but expect **improvement on back of corrective action taken**

QUESTIONS & ANSWERS



REIPP Noblesfontein Wind Project

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Forward looking statements

This presentation which sets out the year end results for Group Five Limited for the year ended 30 June 2015 contains 'forward-looking statements', which have not been reviewed or reported on by the Group's auditors, with respect to the Group's financial condition, results of operations and businesses and certain of the Group's plans and objectives. In particular, such forward looking statements include statements relating to, amongst others, the Group's future performance; future capital expenditures, acquisitions, divestitures, expenses, revenues, financial conditions, dividend policy, and future prospects; business and management strategies relating to the expansion and growth of the Group; the effects of regulation of the Group's businesses by governments in the countries in which it operates; expectations regarding the operating environment and market conditions.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'will', 'anticipates', 'aims', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans' or 'targets'. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future, involve known and unknown risks, uncertainties and other facts or factors 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.

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APPENDICES

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APPENDIX 1

Appendix 1:
Analysis of Eastern Cape loss-making contract

Findings	Lessons learnt
Under-costing bid ▪ Estimating errors due to misinterpretation of bid documents	▪ All tender submissions now formally approved by segmental management ▪ Commercial & legal terms & conditions now formally approved by segment commercial director
Contract negotiated over 24 months ▪ Changes in market conditions, pricing & terms not properly considered	▪ Bid documents >6 months old must be resubmitted to group risk review committee
Late start-up of civils & earthworks ▪ Resulted in knock-on delays	▪ Timeously mobilise in line with construction programme highlighted at contract kick-off meeting, attended by cluster operations director
Labour unrest & poor productivity ▪ Further inefficiencies & costs	▪ Fully understand labour productivity & volatility – Ensure priced into the bid ▪ IR development training programme implemented throughout the group ▪ Group Five Academy refocusing training activities on skills in critical areas identified from lessons learnt
Senior site management skills ▪ Senior management lacked required skills to execute ▪ High management turnover during contract	▪ Ensure appropriately experienced management at bid stage ▪ Immediate problem resolution through regular management site visits ▪ Group Five Academy training addressing better project management
Bid stage assumptions not communicated to execution team ▪ Insufficient execution knowledge to deliver	Meetings, overseen by cluster executive management, enforced: ▪ Handover meetings between tendering & execution teams ▪ Contract start up meetings

APPENDIX 2

Appendix 2:
Engineering & Construction

Year under review - US$ 410m Kpone EPC contract

- 350 MW tri-fuel fired combined cycle power plant awarded Dec '14
- 8 years in development including formulation of contract commercial & execution structure, delivery strategy & associated risk mitigation strategies

Risks inherent in this type of contract	Risk Management
Country	Operated in Ghana for 20 years; permanent presence
Regulatory	▪ One of group's preferred countries - developed regulatory environment ▪ Necessary regulatory dispensations received prior to contract commencement
Logistics	▪ Effectively moving people & plant is key in Africa - group has appropriate experience after almost 40 years in Africa
Procurement	▪ 50% contract value relates to procured equipment ▪ Key suppliers include General Electric, Siemens & NEM – Longstanding relationships with them; successfully worked together on other contracts – Performance guarantees received – Demonstrated experience in delivering similar & much larger contracts – Procurement agreements after financial close mitigates cost escalation risk
Currency & repatriation	▪ Contract adequately structured, including flow of funds, to minimise impact of local currency movements & risk of loss on conversion (incl. not being able to repatriate free cash) ▪ Contract is US$ Dollar designated
Weather delays	▪ Sub-contractor terms & conditions drafted to mitigate against rain delay claims ▪ Rain shelters to ensure continued construction during rainy season

Group Five does not usually supply contract-specific details.
An exception has been made for Kpone as it currently represents a large part of the order book.

Appendix 2:
Engineering & Construction

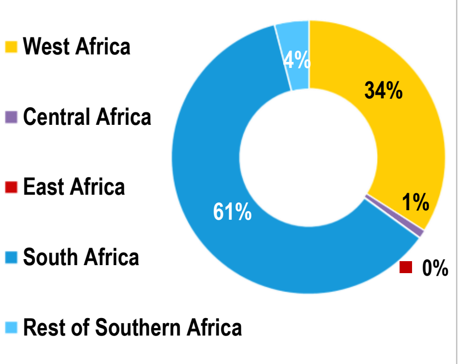
Year under review - US$ 410m Kpone EPC contract continued

Risks inherent in this type of contract	Risk Management
Value at risk management	▪ Management comfortable that value at risk is well within group's risk-bearing capacity ▪ Contract cost build up undertaken after financial close which eliminates usual pricing & estimation errors with a long lead time
Credit management	▪ Funding guaranteed under privately financed public private partnership structure ▪ Reputable regional & international equity partners ▪ Debt funding underwritten by consortium of leading SA banks under SA Export Credit Insurance Cover
Operational & resource management	▪ Successful completion of 10 EPC power contracts (R6bn) over last 7 years ▪ A number of similar combined & simple cycle power plants delivered in Africa using same or similar technology ▪ Same scope, technology & equipment suppliers ▪ Almost identical plant built for Sasol in SA in 2010 (equipment issued by client) – Combined value similar to Kpone & led by same project director – Supported by experienced directors & managers › Each either experienced in Ghana or part of successful Sasol project ▪ Single E&C project leadership team incentivised based on project result
Design issues including late delivery by design partner › Resulting in delays to contract completion	▪ Group Five responsible for design with design partner ▪ Back-to-back agreements in place for design liabilities & responsibilities ▪ Medium to low design risk as older, tested designs & technologies are used – Economies of scale reduces product & construction risks & design costs ▪ An integrated internal engineering department, lender engineers & client also review all designs to ensure accuracy ▪ Extra incentives offered for early completion of designs ▪ Detailed schedule management in place with project team (monitor design progress)

Group Five does not usually supply contract-specific details.
An exception has been made for Kpone as it currently represents a large part of the order book.

Appendix 3:
Secured contracting order book

By geography



By sector