

## Group Overview



- Profit for year exceeds forecast by 24.7%
- Integration of Mining Services (ECMP)
- Successful conclusion to Civil & Coastal and Skelton & Plummer acquisitions
- Proposed acquisition of Stocks Limited
- Owner managed group (54% post Stocks)
- Sustained focus on core operations

Annual results – 12 months ended 29 Feb 2008



## Highlights



# Financial Highlights



Results for the 12 months ended 29 Feb 2008

% Change year-on-year

Revenue	R2,5bn	51%
Operating profit	R184m*	162%
Net profit after tax	R144m*	288%
Cash from operations	R407m*	336%
Earnings per share	103.28 cents*	210%
Cash on hand	R663m	
Capex	R172m	

\* Prior year reflects once-off charge relating to BEE transaction

Annual results – 12 months ended 29 Feb 2008

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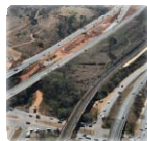
# Key Operations



Concrete structures



Roads and earthworks



Piling and geotechnical



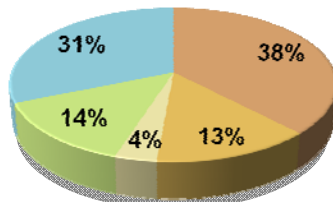
Mining Services



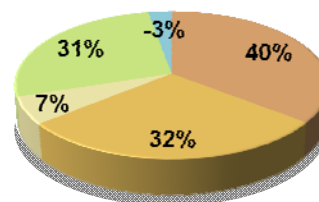
Building



Contribution to turnover



Contribution to operating profit



Annual results – 12 months ended 29 Feb 2008

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	12 months 29 Feb 2008	Audited 12 months 28 Feb 2007	Fore 12 mo 29 Feb
Revenue	2 544 923	1 688 652	
Gross Profit (%)	405 008	152 865	17.8%
Amortisation of intangible assets / RBE charge	(2 087)	(30 000)	(14 150)
Depreciation	(30 925)	70 333	
Operating Profit	184 304	4 957	4.2%
Operating Margin (%)	7.2%		
Net investment income	24 063	75 290	
Profit before taxation	208 367	(38 041)	
Taxation	(63 949)	37 249	
Profit for the period	144 418	2.2%	
Net Margin (%)	5.7%		
Earnings attributable to ordinary shareholders	134 918	36 275	
Adjusted Earnings attributable to ordinary shareholders	135 409	36 389	
Adjusted Earnings per share	130 634 200	108 882 933	
Adjusted Earnings per share	135 970 022	108 882 933	
Adjusted Earnings per share	103.28	33.32	
Adjusted Earnings per share	103.65	33.42	
Adjusted Earnings per share	99.23	33.32	

**Financial Results**

**Abridged Income Statement**



R'000	Audited 12 months 29 Feb 2008	Audited 12 months 28 Feb 2007	Forecast * 12 months to 29 Feb 2008
Revenue	2 544 923	1 688 652	2 507 833

Turnover up 50.7% y-o-y

\* As per Prospectus

## Abridged Income Statement



R'000	Audited 12 months 29 Feb 2008	Audited 12 months 28 Feb 2007	Forecast * 12 months to 29 Feb 2008
<b>Revenue</b>	<b>2 544 923</b>	<b>1 688 652</b>	<b>2 507 833</b>
Contract Profit	405 008	182 865	298 935
<b>Gross Profit (%)</b>	<b>15.9%</b>	<b>10.8%</b>	<b>11.9%</b>
Amortisation of intangible assets / BEE charge	(2 087)	(30 000)	-
Depreciation	(30 925)	(14 150)	(28 814)
<b>Operating Profit</b>	<b>184 304</b>	<b>70 333</b>	<b>166 067</b>
<b>Operating Margin (%)</b>	<b>7.2%</b>	<b>4.2%</b>	<b>6.6%</b>

- Operating profit up 162%
- Improved margin y-o-y and forecast

\* As per Prospectus

Annual results – 12 months ended 29 Feb 2008

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## Abridged Income Statement



R'000	Audited 12 months 29 Feb 2008	Audited 12 months 28 Feb 2007	Forecast * 12 months to 29 Feb 2008
<b>Revenue</b>	<b>2 544 923</b>	<b>1 688 652</b>	<b>2 507 833</b>
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Depreciation	(30 925)	(14 150)	(28 814)
<b>Operating Profit</b>	<b>184 304</b>	<b>70 333</b>	<b>166 067</b>
<b>Operating Margin (%)</b>	<b>7.2%</b>	<b>4.2%</b>	<b>6.6%</b>
Net investment income	24 063	4 957	(5 042)
Profit before taxation	208 367	75 290	161 025
Taxation	(63 949)	(38 041)	(45 166)
<b>Profit for the period</b>	<b>144 418</b>	<b>37 249</b>	<b>115 859</b>
<b>Net Margin (%)</b>	<b>5.7%</b>	<b>2.2%</b>	<b>4.6%</b>

- Profit up 288% y-o-y
- Profit up 25% ahead of forecast

\* As per Prospectus

Annual results – 12 months ended 29 Feb 2008

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## Abridged Income Statement



R'000	Audited 12 months 29 Feb 2008	Audited 12 months 28 Feb 2007	Forecast * 12 months to 29 Feb 2008
<b>Revenue</b>	<b>2 544 923</b>	<b>1 688 652</b>	<b>2 507 833</b>
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<b>Gross Profit (%)</b>	<b>15.9%</b>	<b>10.8%</b>	<b>11.9%</b>
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Depreciation	(30 925)	(14 150)	(28 814)
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<b>Net Margin (%)</b>	<b>5.7%</b>	<b>2.2%</b>	<b>4.6%</b>
Earnings attributable to ordinary shareholders	134 918	36 275	115 859
Headline Earnings attributable to ordinary shareholders	135 410	36 389	115 859
Weighted average shares in issue	130 634 200	108 882 933	139 326 186
Diluted weighted average shares in issue	135 970 022	108 882 933	148 355 867
<b>EPS (cents)</b>	<b>103.28</b>	<b>33.32</b>	<b>83.16</b>

**EPS improvement: 24% ahead of forecast**

Annual results – 12 months ended 29 Feb 2008

\* As per Prospectus

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## Abridged Income Statement



R'000	Audited 12 months 29 Feb 2008	Audited 12 months 28 Feb 2007	Forecast * 12 months to 29 Feb 2008
<b>Revenue</b>	<b>2 544 923</b>	<b>1 688 652</b>	<b>2 507 833</b>
Contract Profit	405 008	182 865	298 935
<b>Gross Profit (%)</b>	<b>15.9%</b>	<b>10.8%</b>	<b>11.9%</b>
Amortisation of intangible assets / BEE charge	(2 087)	(30 000)	-
Depreciation	(30 925)	(14 150)	(28 814)
<b>Operating Profit</b>	<b>184 304</b>	<b>70 333</b>	<b>166 067</b>
<b>Operating Margin (%)</b>	<b>7.2%</b>	<b>4.2%</b>	<b>6.6%</b>
Net investment income	24 063	4 957	(5 042)
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Weighted average shares in issue	130 634 200	108 882 933	139 326 186
Diluted weighted average shares in issue	135 970 022	108 882 933	148 355 867
<b>EPS (cents)</b>	<b>103.28</b>	<b>33.32</b>	<b>83.16</b>
HEPS (cents)	103.65	33.42	83.16
Diluted EPS (cents)	99.23	33.32	76.10
Diluted HEPS (cents)	99.59	33.42	78.10

Annual results – 12 months ended 29 Feb 2008

\* As per Prospectus

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## Operating Segments



12 months to 29 February 2008

R'000s	Concrete structures	Roads & Earthworks	Piling & Geo-technical	Mining Services	Building	Head Office	Group
Revenue	961 752	347 194	90 691	347 715	797 571	-	2 544 923
% Contribution	37.8%	13.6%	3.6%	13.7%	31.3%	-	100%
Operating profit	73 947	59 385	12 358	56 381	(5 899)	(11 868)	184 304
% Contribution	40.1%	32.2%	6.7%	30.6%	(3.2%)	(6.4%)	100%
Operating margin (%)	7.7%	17.1%	13.6%	16.2%	(0.7%)	-	7.2%
Profit after tax	60 066	43 975	7 900	37 454	319	(5 296)	144 418
% Contribution	41.6%	30.4%	5.5%	25.9%	0.2%	(3.7%)	100%
% PAT margin	6.2%	12.7%	8.7%	10.8%	0%	-	5.7%

Annual results – 12 months ended 29 Feb 2008

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## Operating Segments



12 months to 28 February 2007

R'000s	Concrete structures	Roads & Earthworks	Piling & Geo-technical	Mining Services	Building	Head Office	Group
Revenue	734 928	283 126	54 145	169 745	616 453	-	1 858 397
% Contribution	39.5%	15.2%	2.9%	9.1%	33.2%	-	100%
Operating profit	34 917	44 074	9 345	24 081	12 252	( 255)	124 414
% Contribution	28.1%	35.4%	7.5%	19.4%	9.8%	( 0.2%)	100%
Operating margin (%)	4.8%	15.6%	17.3%	14.2%	2.0%	-	6.7%
Profit after tax	24 488	28 997	5 748	11 565	8 810	( 794)	78 814
% Contribution	31.1%	36.8%	7.3%	14.7%	11.2%	( 1.0%)	100%
% PAT margin	3.3%	10.2%	10.6%	6.8%	1.4%	-	4.2%

Annual results – 12 months ended 29 Feb 2008

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## Operating Segments



### Six months to 31 August 2007

R'000s	Concrete structures	Roads & Earthworks	Piling & Geo-technical	Mining Services	Building	Head Office	Group
<b>Revenue</b>	389 829	183 434	39 553	131 529	355 963	-	1 100 308
<i>% Contribution</i>	35.4%	16.7%	3.6%	12.0%	32.4%	-	100%
<b>Operating profit</b>	27 153	28 362	5 214	20 734	(2 331)	(1 290)	77 842
<i>% Contribution</i>	34.9%	36.4%	6.7%	26.6%	(3.0%)	(1.7%)	100%
<b>Operating margin (%)</b>	7.0%	15.5%	13.2%	15.8%	(0.7%)	-	7.1%
<b>Profit after tax</b>	21 144	20 043	3 271	13 663	646	(1 483)	57 284
<i>% Contribution</i>	36.9%	35.0%	5.7%	23.9%	1.1%	(2.6%)	100%
<i>% PAT margin</i>	5.4%	10.9%	8.3%	10.4%	0.2%	-	5.2%

Annual results – 12 months ended 29 Feb 2008

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## Abridged Balance Sheet



R'000	Audited at 29 Feb 2008	Audited at 28 Feb 2007	Reviewed six months to 31 Aug 2007
<b>ASSETS</b>			
Non-current assets			
Property plant and equipment	358 129	151 084	260 895
Intangible assets	155 950	59 091	73 639

- Capex spend R172,2m for the period
- Additional R280m committed
- Intangibles increased from acquisitions

Annual results – 12 months ended 29 Feb 2008

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## Abridged Balance Sheet



R'000	Audited at 29 Feb 2008	Audited at 28 Feb 2007	Reviewed six months to 31 Aug 2007
<b>ASSETS</b>			
Non-current assets			
Property plant and equipment	358 129	151 084	260 895
Intangible assets	155 950	59 091	73 639
Deferred taxation	31 649	2 961	5 047
Current assets			
Other current assets	623 718	355 801	493 494
Bank balances	662 983	217 518	503 168
<b>Total assets</b>	<b>1 832 429</b>	<b>786 455</b>	<b>1 336 243</b>
<b>EQUITY AND LIABILITIES</b>			
Equity and Reserves	615 773	215 683	509 107

- Cash on hand: R663m
- 186% increase in NAV y-o-y
- 24% increase in NAV per share above forecast

## Abridged Balance Sheet



R'000	Audited at 29 Feb 2008	Audited at 28 Feb 2007	Reviewed six months to 31 Aug 2007
<b>ASSETS</b>			
Non-current assets			
Property plant and equipment	358 129	151 084	260 895
Intangible assets	155 950	59 091	73 639
Deferred taxation	31 649	2 961	5 047
Current assets			
Other current assets	623 718	355 801	493 494
Bank balances	662 983	217 518	503 168
<b>Total assets</b>	<b>1 832 429</b>	<b>786 455</b>	<b>1 336 243</b>
<b>EQUITY AND LIABILITIES</b>			
Equity and Reserves	615 773	215 683	509 107
Non-current liabilities			
Other financial liabilities	136 719	55 674	87 732
Vendors for acquisition	69 893	30 399	63 542
Deferred taxation	37 545	-	-
Deferred taxation	29 281	25 275	24 190
Current liabilities			
Other current liabilities & provisions	1 079 937	515 098	739 404
Taxation	994 129	489 085	563 548
Taxation	85 808	26 013	55 047
<b>Total equity and liabilities</b>	<b>1 832 429</b>	<b>786 455</b>	<b>1 336 243</b>
Total shares in issue	148,355,867	119,189,200	148,355,867
Total diluted shares in issue*	139,380,867	119,189,200	139,380,867
Net asset value per share (cents)	423.79	179.10	362.26
Net tangible asset value per share (cents)	311.90	129.53	309.43

\* Issue to share trust

## Abridged Cashflow Statement



R'000	Reviewed 12 months to 29 Feb 2008	Reviewed 12 months to 28 Feb 2007	Reviewed six months to 31 Aug 2007
Cash flows from operating activities	407 448	93 428	158 656

- Improved working capital cycle
- Increase in provisions
- Significant advance payments

## Abridged Cashflow Statement



R'000	Reviewed 12 months to 29 Feb 2008	Reviewed 12 months to 28 Feb 2007	Reviewed six months to 31 Aug 2007
Cash flows from operating activities	407 448	93 428	158 656
Expenditure to maintain operating capacity	(161 838)	(63 290)	(86 894)
Expenditure for expansion	(89 892)	(5 022)	(11 827)

**Net cash required for acquisitions**

## Abridged Cashflow Statement



R'000	Reviewed 12 months to 29 Feb 2008	Reviewed 12 months to 28 Feb 2007	Reviewed six months to 31 Aug 2007
Cash flows from operating activities	407 448	93 428	158 656
Expenditure to maintain operating capacity	(161 838)	(63 290)	(86 894)
Expenditure for expansion	(89 892)	(5 022)	(11 827)
Cash flows from investing activities	(251 730)	(68 312)	(98 721)
Cash flows from financing activities	301 705	79 199	237 673

- Net proceeds from issue of shares R340m
- Staff share trust loan of R62m



## Abridged Cashflow Statement



R'000	Reviewed 12 months to 29 Feb 2008	Reviewed 12 months to 28 Feb 2007	Reviewed six months to 31 Aug 2007
Cash flows from operating activities	407 448	93 428	158 656
Expenditure to maintain operating capacity	(161 838)	(63 290)	(86 894)
Expenditure for expansion	(89 892)	(5 022)	(11 827)
Cash flows from investing activities	(251 730)	(68 312)	(98 721)
Cash flows from financing activities	301 705	79 199	237 673
Net increase in cash for period	457 423	104 315	297 608
Cash at beginning of period	205 560	101 245	205 560
Net cash at end of period	662 983	205 560	503 168



**Civil & Coastal and Skelton & Plummer**

	Civil & Coastal	Skelton & Plummer
Percentage ownership	51%	80%
Cost of Acquisition	20 722	52 826
Period included	4 months	2 months
Revenue*	46 222	22 504
Profit after tax*	9 008	4 506

\* Revenue and PAT = 100% of entity

Annual results – 12 months ended 29 Feb 2008

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# Stocks Limited – Rationale



- Increase the scale and critical mass of the group
- Access to the high-growth Gulf region with US\$ income
- Increase skills pool – especially the experienced management to service the construction sector
- Bring additional expertise to S&B's relatively young building business unit
- Increase BEE credentials by raising direct BEE shareholding to 18.3%



# Stocks Flagship Projects



<i>Historic projects</i>		<i>Value</i>
Palace Hotel (The Lost City)		R1bn
Michelangelo Hotel		R500m
Ushaka Marine Park		R500m
<i>Current projects</i>		
Cape Town Int Airport		R1bn+
One & Only Hotel Cape Town		R450m
OR Tambo Int Airport		R500m
<i>Concessions</i>		
Maropeng – Cradle of Humankind		R250m
SADC office Botswana		R250m



## Stocks Limited – Key Terms



- Transaction consideration: R1,1bn
- Settled as R382,5m in cash and 39 724 880 S&B shares @ R18.60 per share
- Existing Stocks management and BEE shareholders receive only shares
- Service, restraint and “lock-up” agreements concluded with key Stocks management
- Warranties include NAV, free cash and profit to April 2008



Annual results – 12 months ended 29 Feb 2008

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## Stocks Limited - Financial Effects



	S&B 31 Aug 2007	S&B post acquisition of Civil & Coastal and Skelton & Plummer	% change	Proposed Stocks Acquisition	Consolidated S&B Group post Stocks % change
Total shares in issue ('000)	148 356	148 356		188 081	
Weighted avg. no. of ordinary shares ('000)	130 634	130 634		170 359	
Diluted avg. no. of ordinary shares ('000)	135 970	135 970		175 695	
EPS (cents)	42.34	48.08	13.5%	59.46	23.7%
HEPS (cents)	42.34	48.08	13.5%	59.46	23.7%
Diluted EPS (cents)	40.68	46.19	13.5%	57.66	24.8%
Diluted HEPS (cents)	40.68	46.19	13.5%	57.66	24.8%
NAV (cents)	362.26	362.26	0	739.83	104.2%
NTAV (cents)	309.43	272.71	(11.9)	38.17	(86.0%)

Annual results – 12 months ended 29 Feb 2008

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# S&B Group Disciplines going forward



Southern Africa						International
Structures	Roads & earthworks	Mining services	Building	Mechanical & electrical projects	Property & concessions	Gulf
Gauteng	Gauteng	Open Pit Mining	Cape Town	Skelton & Plummer	Properties development	Al Tayer Stocks
KZN	Swaziland	Tailings	Gauteng	Eddcor Electrical	Concessions	Zener Steward
Piling			KZN		East Coast Develop. Co.	
Civil & Coastal			Mozambique			
			Major Projects			
			Botswana			

**Combined turnover current year: R4.6bn**

**Combined order book at March 2008: R6,2bn**



Stefanutti & Bressan

## Prospects & Conclusion

## Prospects



- **Buoyant market conditions to continue beyond 2015**
- **Government and municipal infrastructure spend:**
  - Roads, railways and ports
  - Water and effluent treatment works
- **Eskom's committed electrical power expansion**
  - Coal-fired, nuclear power stations and wind farms
- **Continued capital project spending in private sector:**
  - Commodities and resources
  - Affordable mass housing, intercity building refurbishment
  - Growth in the Gulf region



Annual results – 12 months ended 29 Feb 2008

## Strategy - Local Market



- **Take advantage of local booming infrastructure, mining, petrochemical and electrical power markets**
- **Take on larger and more technically challenging projects with improved margins**
- **Increase footprint and market share throughout Southern Africa**
- **Expand Roads & Earthworks and Mining Services business units**
- **Bigger involvement in public-private partnerships (PPP's)**
- **Successful integration of Stocks into the S&B group**



Annual results – 12 months ended 29 Feb 2008

## International market strategy



- Increase market share in the Gulf
- Lay foundation for further international expansion
- Strategic partnerships with international construction companies



Annual results – 12 months ended 29 Feb 2008

## Conclusion



	Turnover
FY 2006	R1.2bn
FY 2007	R1.7bn
FY 2008	R2.5bn
Combined order book	R6.2bn

Add: Buoyant market with improved margins, strong management, sound group strategy and expanded skills pool

**The future will only be as good as we build it !**

Annual results – 12 months ended 29 Feb 2008

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*Bridging your expectations*

## **Questions & Answers**