



MURRAY & ROBERTS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

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ADR Code: MURZY

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(“Murray & Roberts” or “Group”)

66th ANNUAL GENERAL MEETING AND BUSINESS UPDATE

The Group issued its 2014 Annual Integrated Report to stakeholders on 06 October 2014. Full details of the Group’s financial results and Annual Integrated Report have been published on the website www.murrob.com.

For the previous financial year ended 30 June 2014, the Group reported revenue of R36 billion (June 2013: R34,2 billion) and attributable earnings of R1,3 billion (June 2013: R1 billion). Diluted earnings per share was 305 cents (June 2013: 245 cents). Diluted continuing headline earnings per share was 205 cents (June 2013: 123 cents), representing growth of 67%, compared to the last year.

At 30 June 2014, the net cash position was R1,8 billion (June 2013: R4,3 billion). The reduction in the net cash position is mainly as a result of the Group’s acquisition of the non-controlling interests in Clough Limited (“Clough”) for R4,4 billion in December 2013.

The Group’s order book as at 31 October 2014 remained strong at R40 billion (June 2014: R40,9 billion).

UPDATE ON OPERATING PLATFORMS

OIL & GAS

The platform comprises the following businesses: Clough (Perth based), e2o (Adelaide based) and Murray & Roberts Marine (Cape Town based). Subsequent to year end, Clough acquired two specialist engineering firms; Booth Welsh (Ayrshire based) and CH-IV (Houston based). Murray & Roberts Marine was incorporated into the Oil & Gas platform effective 01 July 2014.

Clough remains well positioned in the liquefied natural gas (“LNG”) and coal seam gas (“CSG”) market sectors, and is undertaking work on every LNG project currently underway in Australia and Papua New Guinea (“PNG”). The Australian oil and gas industry is transitioning from large greenfields to brownfields projects, presenting substantial commissioning and asset support opportunities to Clough. The effect of this transitioning is reflected in a declining order book for Clough as commissioning and asset support work is secured through shorter duration contracts compared to the multi-year contracts on greenfields projects. Ongoing new market

opportunities remain as gas will continue to be a growth sector globally, with investment shifting to new basins, Africa and North America.

The oil & gas platform is extending its engineering service offering globally and recently completed a US\$5 million strategic acquisition of CH-IV, a boutique engineering company based in the United States of America. CH-IV is highly regarded in the LNG concept and front end engineering design ("FEED"). Clough also completed a £9 million strategic acquisition of Booth Welsh, an engineering services company based in Ayrshire, Scotland. Booth Welsh specialises in electrical, instrumentation, automation and controls design as well as commissioning services.

Clough's outlook remains strong, with work to continue on major Australian LNG projects including Chevron's Gorgon and Wheatstone, INPEX's Ichthys and Santos' Gladstone LNG projects. In September 2014, Clough secured an AU\$70 million FEED contract for Arrow Energy's proposed Bowen Gas Project in central Queensland.

The Oil & Gas platform order book as at 31 October 2014 was R15,1 billion (June 2014: R16,8 billion).

UNDERGROUND MINING

The platform comprises the following businesses: Murray & Roberts Cementation (Johannesburg based); Cementation Canada (North Bay based); Cementation USA (Salt Lake City based); Cementation Sudamérica (Santiago based) and RUC Cementation Mining (Perth based).

Considering the recent subdued state of the commodity cycle, the platform continues to perform well and is showing growth potential in developing its order book in all main geographic areas off a relatively low base. Growth potential exists, especially with operating mines requiring brownfields expansion projects to ensure sustainability of production volumes, combined with demand from some open pit mines converting to underground mining as surface operations become less economical.

Murray & Roberts Cementation has just been awarded a multi-billion Rand contract mining project at Booysendal platinum mine, while the negotiation on the multi-billion Rand Kalagadi Manganese contract is at an advanced stage. The decline shaft at Venetia is underway and the pre-sink of the vertical production shaft has commenced this week. Work on Murray & Roberts Cementation's three major projects in Zambia continues to progress satisfactorily.

Cementation USA holds a full order book with work on existing projects progressing very well. Cementation Canada is participating in considerable tender activity and is in final negotiation with Compass Minerals to upgrade the shafts at their Goderich mine in Ontario at a cost in excess of one billion Rand. For RUC Cementation Mining, the platform's smallest contributor, conditions in Australia remain challenging. However, the business continues to bid and secure various opportunities.

The Underground Mining platform order book as at 31 October 2014 was R12,5 billion (June 2014: R9,9 billion).

ENERGY & INDUSTRIAL

This platform comprises the following businesses; Murray & Roberts Power & Energy, Murray & Roberts Resources & Industrial, Murray & Roberts Water (incorporating Aquamarine Water Treatment), Murray & Roberts Electrical & Control Systems and Genrec Engineering.

The platform is actively working on the Medupi and Kusile power station projects and establishing its position in the broader petrochemical, industrial engineering and renewable energy sectors. Returning focus to the petrochemical market presents some immediate opportunities. The platform is also targeting the industrial water sector.

The acquisition of Aquamarine Water Treatment for R28 million was recently completed. Aquamarine is a company that designs, manufactures, installs and maintains water treatment solutions. It currently operates in a niche market for mainly small to-medium size installations and has developed a network of resellers throughout the African continent that serves as an extended business development network.

The key prospects in the short term lie in the renewable and baseload Independent Power Producer energy programme. Murray & Roberts Power & Energy is well positioned to access available projects. The power programme on Medupi and Kusile still offers opportunities for most of the platform's businesses and accessing these opportunities remains a priority.

Further opportunities in the power sector, either for maintenance, outage management and execution or operations remain for all the platform businesses. Although project wins in the industrial water market have been few, a good foothold has been established in certain water treatment opportunities by securing the front end engineering packages.

The Energy & Industrial platform order book as at 31 October 2014 was R5,6 billion (June 2014: R6,2 billion).

INFRASTRUCTURE & BUILDING

This platform comprises the following businesses; Murray & Roberts Buildings, Murray & Roberts Middle East, Murray & Roberts Western Cape, Murray & Roberts Botswana, Murray & Roberts Namibia, Murray & Roberts Infrastructure, Concor Opencast Mining and PPP Investments and Services (Murray & Roberts Concessions).

After a number of loss-making years, the platform returned to profitability at the end of the 2014 financial year, albeit at low margins as the South African construction sector continues to be competitive and the market in general remaining subdued, with pockets of activity in buildings and infrastructure. A focus on operational performance to preserve margins will remain of critical importance in this difficult environment.

Murray & Roberts Buildings holds a good order book, while Murray & Roberts Middle East secured two new projects to the combined value of about a billion Rand towards the end of the previous financial year. The platform's growth into the rest of Africa (beyond SADC) is being pursued with a number of promising prospects.

The platform is well positioned as the preferred bidder to implement civil infrastructure work on three wind farms during the current financial year.

The Infrastructure & Building platform order book as at 31 October 2014 was R6,8 billion (June 2014: R8 billion)

UPDATE ON THE GROUP'S MAJOR CLAIM PROCESSES

There have been no material developments on any of the Group's major claims, for or against, since the publication of the Group's annual financial results on 27 August 2014. The final payment concerning the settlement of the Gorgon Pioneer Materials Offloading major claim was received during September 2014.

Total uncertified revenue at end-June 2014, largely represented by the Group's outstanding major claims on Gautrain Delay & Disruption and Dubai International Airport, stands at R1,6 billion (June 2013: R2,1 billion).

The board of directors of Murray & Roberts ("Board") and management remain committed to the resolution of all contractual disputes and the collection of proceeds from claim settlements, while recognising that this will continue to be a challenging and protracted process.

PROSPECTS AND OUTLOOK

In respect of the baseline for earnings growth going forward, it is important to note that whereas the associated income lost due to the divestment of Forge Group Limited in March 2013 was replaced by the acquisition of the minority shareholding in Clough, the Group still needs to address the earnings gap created by the disposal of the Construction Products operating platform in the previous financial year.

The Board is pleased with the Group's improved financial position and is targeting continued earnings growth in the medium-to long term.

The information on which this prospects statement is based has not been reviewed or reported on by the Group's external auditors.

Bedfordview
06 November 2014

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