



GROUP PERFORMANCE REVIEW

MURRAY & ROBERTS PROJECTS, TOGETHER WITH SUBCONTRACTOR NUWATER, WERE SELECTED BY GOLD FIELDS TO PROVIDE TWO MODULAR PLANTS AT ITS **TARKWA OPERATIONS IN GHANA.**



> p.36

Sustainability framework

> p.38

Stakeholder engagement

> p.39

Social performance

> p.52

Environmental performance

> p.56

Ethical performance

> p.57

Economic performance

FINANCIAL PERFORMANCE

> p.58

Statement of value created

> p.60

Ten-year financial review

> p.61

Ratios and statistics

> p.62

Segmental analysis

> p.65

Assurance report

SUSTAINABILITY FRAMEWORK

INTEGRATED REPORTING

SOCIAL

- Safety, health and wellness
- Employees
- Transformation and local economic development
- Community development

ENVIRONMENTAL

- Resource efficiency and carbon footprint
- Emissions, releases and waste management

ETHICAL

- Fraud, corruption and anti-competitive behaviour
- Human rights
- Unfair discrimination and equality
- Unfair business practices

FINANCIAL AND ECONOMIC SUSTAINABILITY

GOVERNANCE STRUCTURE

RISKS AND OPPORTUNITIES

STAKEHOLDER ENGAGEMENT

Stop.
Think.
Act.
24/7



VISIBLE FELT LEADERSHIP ENGAGEMENT AT IMPUMELELO MINE.

MURRAY & ROBERTS' SUSTAINABILITY FRAMEWORK GUIDES OUR APPROACH TO SUSTAINABLE PERFORMANCE

ANDREW SKUDDER
SUSTAINABILITY EXECUTIVE



THE FRAMEWORK SETS OUT OUR ASPIRATION TO OPERATE IN AN ETHICAL AND SUSTAINABLE WAY BY:

- Considering the views and concerns of our stakeholders in our strategic and operational decision-making
- Understanding and mitigating our risks in relation to our opportunities
- Applying best practice corporate governance beyond minimum requirements
- Running world-class operations able to create and sustain value for clients, employees, shareholders, partners and suppliers, as well as the countries and communities in which we operate
- Managing all our impacts, according to the principle of Zero Harm and the precautionary principle.

The outcome of these inter-related objectives is integrated reporting and the annual integrated report, which links back to our stakeholders and completes the cycle of accountability and inclusivity that ultimately underpins our sustainability.



STAKEHOLDER ENGAGEMENT

Murray & Roberts is a leading South African Group of world-class engineering and construction companies and brands aligned to the same purpose and vision, and guided by the same set of values.

Murray & Roberts strives to communicate and engage openly, effectively and inclusively with all stakeholder groups. Key stakeholders are generally identified as groups or individuals impacted by our operations, with an interest in what we do or the ability to influence our activities, in proximity to our operations or dependent on Murray & Roberts. Mutual trust and understanding among our stakeholders is imperative.

Murray & Roberts has developed a Group stakeholder engagement policy and the responsibility for implementing the policy rests with the platform executives, managing directors and the Group communications function. The principles of this Group policy state that the Group will:

- Comply with relevant laws, and the principles and best practice recommendations in the King Code of Governance Principles ("King III") stakeholder relationships
- Establish clear accountability for effective stakeholder engagement
- Consider the views and concerns of stakeholders in the Group and its companies' strategic and operational decision-making
- Integrate stakeholder engagement into the ongoing management activities of the Group and its companies
- Strive to measure and manage the gap between stakeholder perceptions and the performance of the Group and its companies
- Ensure that stakeholders are treated fairly and equitably in line with the Group's values
- Create a transparent and honest environment for stakeholders to interact with the Group
- Provide complete, timely, relevant, accurate, honest and accessible information to its stakeholders while having regard to legal and strategic considerations
- Proactively communicate with stakeholders and seek their views and feedback using various and appropriate communication channels/mediums
- Promote awareness in Group companies of the importance, value and methodologies for stakeholder consultation and relationship management
- Seek ways to better manage and improve stakeholder engagement procedures and performance.

Our engagement process seeks to ensure that interaction with stakeholders in all our markets is effective and ongoing. Various methods are used across the Group to engage with stakeholders. These methods, among others, are grouped into the following categories:

- Face-to-face engagement (one-on-one meetings, citizen panel/public meetings, including "town hall" meetings)
- Technological engagement (website, intranet, email and SMS)
- Printed engagement (media releases, newsletters, internal magazines, annual integrated report).

The Group continuously interacts with a diverse group of stakeholders. Our stakeholders are grouped into the following categories:

- Clients
- Employees
- Shareholders and investment community
- Financial institutions
- Murray & Roberts operating companies
- JV partners/service providers/suppliers/subcontractors
- Unions
- Communities
- Special and other interest groups.

Our Group client service centre assists to bridge the knowledge gap between Murray & Roberts and its stakeholders. This facility is resourced by full time employees and processes more than 2 500 calls and email queries per month.

The top ten concerns for our key stakeholder groups, as currently identified by management, can be found on page 14.

SOCIAL PERFORMANCE

KEY INDICATORS	Performance			
	2013	2012	2011	Movement
Safety				
Fatalities	2	4	12	↓
FIFR ("fatality injury frequency rate")*	0,01	0,02	0,06	↓
LTIFR ("lost time injury frequency rate")*	0,8	1,1	1,3	↓
TRCR ("total recordable case rate")*	3,4 ^a	4,6	4,0	↓
OHSAS 18001 Management System implementation (% coverage)	69% ^b	71%	± 52% ^b	↓
Health				
Voluntary HIV/Aids tests	2 140	7 976	12 404	↓
HIV/Aids Prevalence of employees tested	About 15%	About 12%	About 14%	↑
New cases of tuberculosis	19	21	37	↓
Noise induced hearing loss ("NIHL")	29	36	104	↓
Alcohol random tests	124 127	130 141	83 041	↓
% positive alcohol random tests	0,2%	0,4%	0,7%	↓
Drug random tests	6 828	5 220	9 998	↑
% positive drug random tests	1,0%	0,6%	2,2%	↑
Employees				
Spending on formal employee training and development (Rm)	156	133	116	↑
Skills development on black employees as % of SA skills development spend	74%	74%	78%	→
Total number of bursars	80	94	133	↓
% of bursars who are black	65%	66%	62%	↑
% of bursars who are female	33%	22%	32%	↑
Graduates attending the development programme	28	27	18	↑
% of graduates who are black	61%	59%	61%	↑
% of graduates who are female	25%	19%	17%	↑
Leadership Development programme	134	207	185	↓
% of participants who are black	43%	38%	40%	↑
% of participants who are female	28%	23%	16%	↑
Transformation & Local Economic Development				
BBBEE rating based on the Construction Sector Charter	Level 3	Level 3	Level 3	→
Wealth created through Letsema BBBEE share ownership transaction (Rm)	734	682	799	↑
% of South African based employees who are female	12,4%	14,6	15,6	↓
% of South African based employees who are black	76,4%	86,4	84,1	↓
% of South African based employees designated as management who are female	8,5%	11,4	11,5	↓
% of South African based employees designated as management who are black	63,6%	57,6	49,4	↑
Capital expenditure (3-year cumulative amount; Rm)	2 918	2 920	4 295	→
% Preferential procurement spend South Africa	73,1%	67,9%	61,2%	↑
Enterprise development contribution South Africa (Rm)	143,4	111,1	60,9	↑
Community Development				
Corporate social investment in community programmes (Rm)	13,7	14,4	15,5	↓
Letsema broad-based community commitments (Rm)	1,5	1,2	16,3	↑
Bursaries awarded by the Letsema Employee Benefits Trust (Rm)	7,1	8,9	8,0	↓
Environmental				
Energy usage (MWh)	1 092 511	1575287 ^c	1 095 843	↓
Carbon footprint (tonnes of carbon dioxide equivalent (t CO ₂ e)	414 171	527554 ^c	515 506	↓
ISO 14001 Management System implementation (% coverage)	58%	40,0%	±30%	↑

a) The total recordable case rate is a new broader indicator of safety performance including all injuries except first aid cases.

b) Percentage OHSAS 18001 and ISO 14001 certification is calculated over the number of employees covered by certification i.e. employees and subcontractor employees under our control. The 2013 figure excludes employees hired by joint-ventures.

c) These figures differ from those reported in the 2012 Integrated Report (i.e. 1 717 120MWh 565 034 CO₂e) because Clough's scope 1 emissions were misstated. These have since been corrected.

* per million hours worked

SOCIAL PERFORMANCE CONTINUED

SAFETY, HEALTH AND WELLNESS

Safety

Our unrelenting focus on health and safety produced some impressive results during FY2013. Highlights include the achievement of a record-low lost time injury frequency rate ("LTIFR") of 0.82, a further reduction in fatal incidents, maintenance of OHSAS 18001 certification by the majority of our operations and the achievement of world-class safety performances at some of our operations. These achievements have strengthened our belief that it is possible to achieve Zero Harm at all Murray & Roberts operations.

We unfortunately did not meet our key objective of zero fatal incidents during the year. We deeply regret the death of two colleagues (2012: 4) as a result of work carried out on our behalf. The circumstances that led to these fatalities are provided further on in this report.

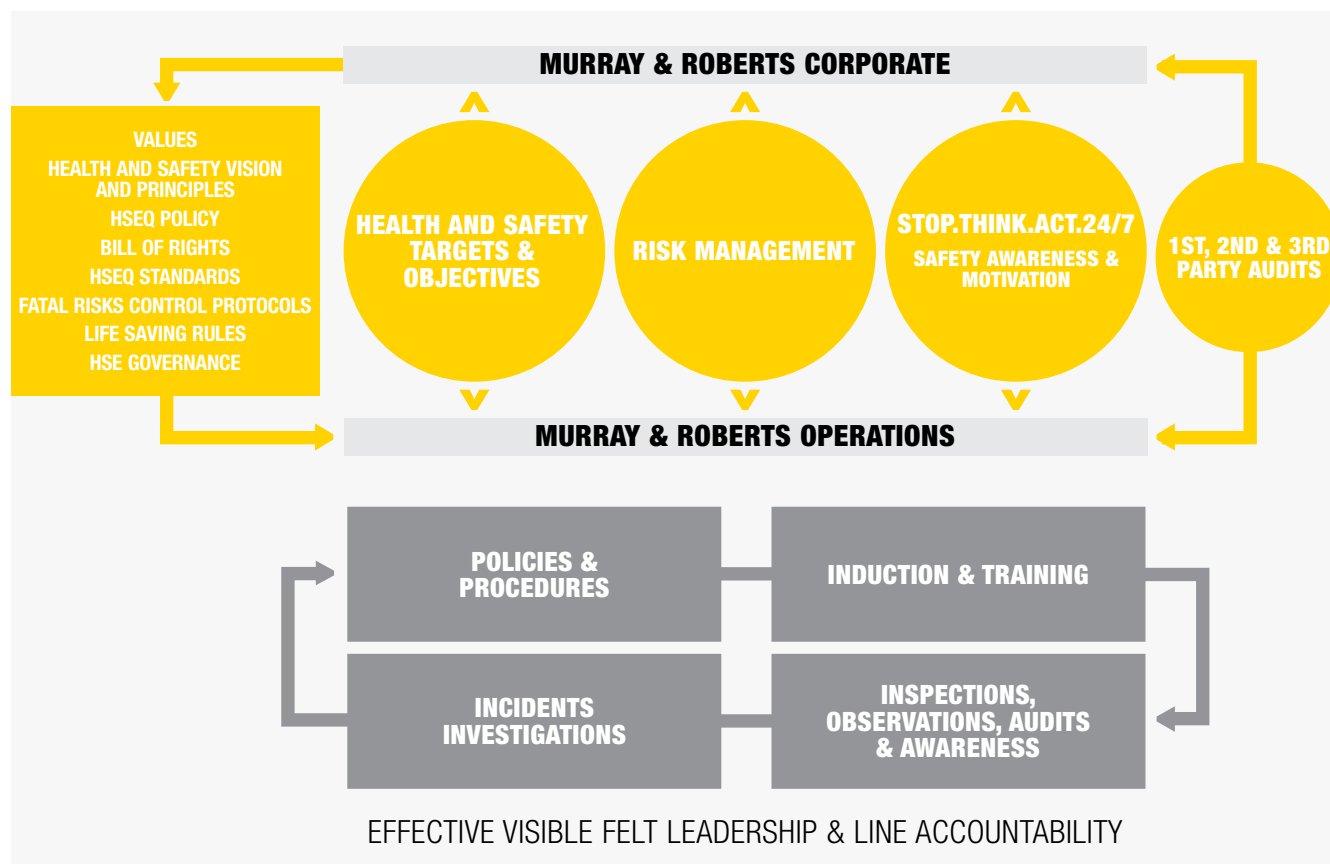
We continued to make good progress in entrenching our health and safety framework which provides guidance to operating companies in delivering our health and safety commitment. Central to this is our *Zero Harm through Effective Leadership* programme which seeks to cultivate leadership that is empowered to engage effectively with employees and other stakeholders, while actively crafting a high-performance culture that will ensure sustainable improvement in health and safety.

Early in the year, we held a safety summit with our top 220 leaders to discuss and create a common understanding on the key short to medium term priorities of our Zero Harm through Effective Leadership programme. The aim is to establish a consistent approach and improvement rhythm across the Group. The following Group priorities were implemented during FY2013.

Review and expansion of the STOP.THINK programme

The STOP.THINK programme, introduced in 2006, has been a successful driver in communicating and motivating employees to take responsibility for their own safety, their colleagues' safety and the work environment. In line with the changing mindset in the organisation, we reviewed and strengthened the STOP.THINK brand by introducing the "Act.24/7" dimension. The new brand launched by our Group chief executive during the year is Stop.Think.Act.24/7. "Act" emphasises the importance of taking action to correct unsafe conditions and behaviours as well as recognising positive behaviour, while "24/7" highlights the need to be safety conscious at all times i.e. at work, at home and in everything we do. This programme has been embraced by our operating companies.

MURRAY & ROBERTS HEALTH AND SAFETY FRAMEWORK



Implementation of a consistent Visible Felt Leadership engagement programme

We believe that visible felt leadership commitment is the basic component of a successful health, safety and environmental ("HSE") management programme. For the programme to be most effective, this commitment must be visible in action and felt from the top, down to all levels of the organisation.

During the year we developed and implemented a standard Visible Felt Leadership ("VFL") engagement programme to establish consistency in leadership interactions across the Group, and to actively build a culture of safe operations. To date, our middle and senior leaders have been trained on visible felt leadership and are actively engaging employees on a daily basis. We will be extending this programme to our supervisory staff during FY2014.

Building lead indicators to proactively measure our progress

While some operating companies have over time implemented various forms of lead indicators to drive improvements in health and safety, these have not been consistently applied across the Group. During the year we established a common set of lead indicators to drive proactive action, increase predictability and provide early warnings of performance deviation. Examples of lead indicators being implemented include:

- The Zero Harm Index, which measures the proportion of work being performed safely
- Audit Compliance Index
- VFL engagements
- Quality of pre-shift meetings
- Compliance to our Life Saving Rules
- Compliance to our Fatal Risks Control Protocols.

We will report our performance on these indicators in our future reports to stakeholders.

Line accountability through effective leadership

At Murray & Roberts, all leaders are accountable for providing a safe, healthy and environmentally friendly work environment. Our leadership succession and development model provides guidelines on the characteristics required of a Murray & Roberts leader. Leadership is expected to set the example, model the way, walk the talk and visibly engage with employees on an ongoing basis.

To assist leadership in delivering on the Zero Harm commitment, we have in addition to the VFL programme reviewed our broad-based leadership programme. The programme seeks to deliver leadership thinking and transformational capacity that will take our leadership beyond a compliance mindset to one of commitment to excellence in health and safety.

Health and safety leadership interventions forming part of this programme focus on developing leaders' knowledge in health and safety management, clarifying their role in building a culture of safe operations and emphasising the importance of integrating health and safety and operations.

The intent is to enable our leaders to develop and establish a high-performance culture where all employees are:

- Valued and acknowledged for their commitment
- Respected for their differences
- Involved and empowered to achieve
- Skilled to deliver on their accountabilities.



LAUNCH OF STOP.THINK.ACT.24/7 AT OPERATIONS.



VISIBLE FELT LEADERSHIP PROGRAMME IN ACTION.

SOCIAL PERFORMANCE CONTINUED



GROUP CHIEF EXECUTIVE, **HENRY LAAS**, WITH **GERHARD HORN**, SAFETY LEADER OF THE YEAR.



ALBERT WEBER, MANAGING DIRECTOR OF MURRAY & ROBERTS BUILDING PRODUCTS, RECEIVING THE MANAGING DIRECTOR SAFETY AWARD.

Implementation of Fatal Risks Control Protocols and Life Saving Rules

Elimination of work-related fatalities and serious incidents remains the first priority of our *Zero Harm through Effective Leadership* programme. Work continued during the year to entrench our fatal risks control protocols ("FRCPs") implemented during the last financial year. The FRCPs represent current good practice in the control of identified fatal risks and have been derived from detailed risk assessments and investigations into fatal and serious incidents.

Our major safety risks arise from underground operations, working at heights, lifting operations, machinery and equipment, falling and rolling objects, hazardous materials, mobile equipment and vehicles used for operations. During the year, subject matter experts across the Group met and shared their experiences in implementing the FRCPs within their areas and made improvements to the overall programme.

The FRCPs are supported by a set of Life Saving Rules, developed to provide a framework for how employees must behave all the time, in every operation and activity. These are absolute rules because violation could result in a fatal or serious incident.

The FRCPs and Life Saving Rules form part of our broader risk management programme which seeks to continually identify and control all health and safety risks. To achieve a systematic approach to risk management, all operating companies are required to implement health and safety management systems that meet international standards. To this end, 69% of our workforce is covered by OHSAS 18001 certification. This number excludes employees hired directly by joint-ventures.

Promoting sharing and learning

We strive to take advantage of our exposure to a variety of good practices implemented by our clients and diverse operations within the Group. We have also made good progress in improving the quality of our incident investigations which has allowed us to get to the root causes of incidents and take advantage of lessons learnt. Senior management at all operating companies review all serious incidents to identify deficiencies and lessons learnt and implement corrective measures.

The Group executive committee reviews investigation reports on all high potential and fatal incidents and lessons learnt from these are widely communicated in the organisation to raise awareness and prevent recurrence. This process has led to an increased level of accountability at our operations and helped us identify key issues

requiring improvement across the Group. Key issues identified in FY2013 relate mostly to hazard identification and risk assessments, supervision, management of changes, contractor and client interface management, safe declaration of work areas and design of equipment and processes. Our operating companies are required to include these in their improvement plans where applicable.

Other sharing platforms in place include various task teams that work on common health and safety challenges and ideas, cross-site audits and health and safety forums. One of the key initiatives in FY2014 is to improve these structures by reviewing and enhancing our HSE structures and establishing centres of excellence to ensure effective communication, analysis, knowledge sharing and oversight of HSE performance across the Group.

Celebrating successes

We are encouraged to see an increasing trend in good safety performances from a number of operations across the Group and exceptional leadership and innovation demonstrated by some of our leaders and employees. Examples include the achievement of two consecutive years without a lost time injury by our Concor Engineering business and one year without a lost time injury at Oconbrick, Murray & Roberts Plant, Concor Opencast Mining and Murray & Roberts Marine. A number of our projects also achieved world-class safety performances and we aim to emulate this across the Group.

We held our first Annual Group Chief Executive Health and Safety Recognition Awards to recognise employees and teams who excelled during FY2013.

Focus going forward

The *Zero Harm through Effective Leadership* programme remains our main vehicle to develop a culture of safe operations. We have prioritised the following key milestones for implementation during FY2014:

- Extending the VFL programme to supervisory staff
- Entrenchment of lead indicators and VFL observations
- Embedding Stop.Think.Act.24/7 as a Murray & Roberts way of life
- Enhancement of HSE structures and implementation of centres of excellence
- Implementing health and safety elements of our effective leadership programme
- Entrenchment of FRCPs
- Implementation of a consistent contractor HSE management programme.

Our Safety performance in FY2013

The Group ended FY2013 with a record-low LTIFR of 0.82 (2012: 1.14), which is within our target of 1.0. We also, for the first time, achieved 12 consecutive months without a fatal incident during the year.

Our Total Recordable Case Rate (TRCR), which is a broader indicator of safety performance, improved to 3.4, a 26% improvement on previous year performance. The TRCR includes all injuries except first aid cases.

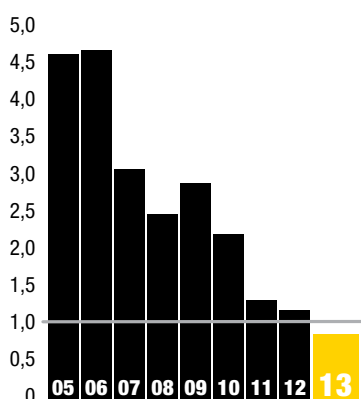
However, despite the declining trend in injury rates we unfortunately experienced the tragic loss of two of our employees (2012: 4) as a result of injuries sustained while they were working for us.

- On 26 April 2013, Gil David Macamo (43), a grout plant operator, was fatally injured by a fall of ground at Murray & Roberts Cementation's Karee 3 shaft project
- On 23 May 2013, Simphiwe Tomsana (31), a machine operator, was fatally injured when he got caught between the moving pipe and the stationary shot blast cabinet at Hall Longmore's Wadeville operations.

Regrettably, the new financial year started on a tragic note following the death of Prida Chumpla (34), a pipe fitter at Clough's joint-venture project in Papua New Guinea on 09 July 2013.

We are deeply saddened by the occurrence of these incidents despite significant achievements in a number of areas. We once again extend our heartfelt condolences to the families, friends and colleagues of the deceased.

ANNUAL LTIFR MEASURED OVER 1 MILLION MAN HOURS



The LTIFR is in line with the international norm which excludes restricted work day cases. Including restricted work day cases, the Group's LTIFR is 1.3.

Employee health and wellness

Work to enhance our employee health and wellness programme continues and includes interventions for the prevention, early identification, early intervention and clinical management of all occupational health and wellness conditions which may impact on our employees' health and productivity. During the year we reviewed and implemented Group standards to guide operations on occupational health and wellness.

We invited reputable service providers to provide proposals to help operations in implementing this programme. We aim to ensure a consistent standard across our South African operations in addressing the following key areas of our health and wellness programme:

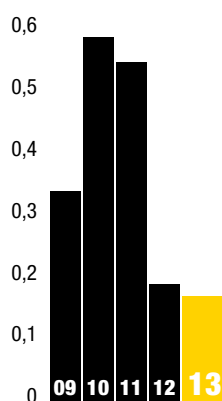
- Occupational health
- HIV/Aids and TB

- Substance abuse
- Chronic diseases
- Psychosocial wellbeing
- Incapacity management.

Our health and wellness performance in FY2013

Noise induced hearing loss ("NIHL") continued to be the major prevalent occupational disease at our mining and some of our manufacturing businesses. During the past year, 29 (2012: 36) new NIHL cases were recorded resulting in an occupational disease frequency rate of 0.16 measured over a million hours worked (2012: 0.18). The graph below illustrates the Group's historical occupational disease frequency rate, which only measures NIHL.

OCCUPATIONAL DISEASE FREQUENCY RATE



Twenty-nine NIHL cases were reported in the 2013 financial year. The 2012 and 2013 figures only include cases that have been confirmed by medical specialists as work related NIHL cases. The 2011 financial year included confirmed cases plus those that were under investigation.

The relatively high rate of NIHL cases, despite improvement measures implemented, is concerning. Risk mitigation measures implemented at operating companies include engineering solutions to eliminate or manage the noise risk, providing employees with knowledge and skills to protect themselves against noise exposure and adherence to wearing hearing protection equipment in areas where noise levels cannot be economically reduced to within acceptable limits. We will continue, as part of the enhanced health and wellness programme, to better understand this risk and investigate and implement appropriate improvement actions.

Tuberculosis ("TB") remains a health risk to employees working in environments with silica dust and is often compounded by HIV/Aids. 19 (2012: 21) TB cases were reported during the financial year.

The HIV/Aids prevalence in our tested employee population in South Africa was 15% (2012: 12%). The overall prevalence is however likely to be much higher than this figure given the estimated 18% prevalence for the working population in the country.

We also identified fatigue as one of the main risk factors and will be implementing measures, as part of the health and wellness programme, to address this.

Wellness education, awareness and voluntary testing programmes will remain the key measures of our wellness programme while ensuring an improved support programme for employees already affected. Our enhanced health and wellness programme will help us improve our health and safety performance, absenteeism and productivity, and make a meaningful contribution to the quality of life of our employees.

SOCIAL PERFORMANCE CONTINUED

OUR EMPLOYEES

Great projects start with great people

People are the core of our Group and use their skills and experience to deliver our projects according to client expectations. Every one of our employees is crucial to delivering projects that fulfil our client expectations, and to realising our vision of becoming the leading diversified engineering and construction group by 2020. Recognising this, we focus on providing a safe and conducive working environment where employee performance drives Group success. Furthermore, our values of care, integrity, respect, accountability and commitment shape decisions and behaviour on a day-to-day basis influencing how business is conducted.

Our recently revised Group HR Policy ensures that as a Group we:

- Embed the Group values to build a safe, healthy and high-performance organisational culture
- Abide by, and uphold all legislation pertaining to human resource management and employee relations in each country in which the Group operates, as well as embrace international standards of social justice and human and labour rights
- Uphold the right to freedom of association and the right to collective bargaining in pursuit of labour peace and stability, and will not tolerate inhumane treatment, forced labour, child labour, or intimidation in the workplace
- Create an environment where employees are able to work without discrimination or harassment
- Establish strategic workforce plans to support the Group's opportunity pipeline
- Conduct recruitment based on fair and objective criteria to create equal opportunity for all candidates within a diverse employment pool
- Establish clear accountabilities for all employees; where appropriate this will be done through formal documented performance management processes, and where not practical team sessions will be used to set and agree expectations
- Ensure employees receive appropriate training and development to enable them to perform their duties effectively, safely and to facilitate the achievement of individual potential
- Develop succession plans for all levels throughout the organisation paying particular attention to scarce and critical roles
- Proactively communicate with employees and seek their views and feedback using surveys, focus groups and other appropriate communication channels
- Implement objective and fair processes for dealing with disciplinary measures and employee grievances
- Maintain accurate employee records and ensure confidentiality is maintained
- Recognise employees for their contribution to upholding and promoting the Group's values, safety ethos and performance objectives
- Pay employees fair, competitive and appropriately structured remuneration and benefits.

We have developed a leadership framework which outlines what is expected from a Murray & Roberts leader and will align our 2014 leadership programmes and assessments with this. The framework was signed off by the Board and is championed by the Group chief executive. This year 134 individuals from across the Group attended our Group leadership programmes at a cost of R3,8 million. Of these, 43% were black and 28% women.

To assess employees' perceptions of our practices, we conduct an annual employee survey managed by an external supplier. We are pleased that 82% of respondents feel that Murray & Roberts is an employer of choice and action plans have been put in place to address identified areas of weakness.

At financial year-end, Murray & Roberts had approximately 33 281 employees on the payroll. This comprises 24 396 employees in southern Africa and 8 885 employees internationally. Our headcount has reduced by 5 841 from 39 122 in FY2012. This is mainly due to the termination of the Aquarius contract at Murray & Roberts Cementation. We expect our headcount to reduce further by about 4 228 employees with the sale of our Construction Products Africa platform.

Integrated performance management drives business results

An integrated performance management system is in place to ensure that the right work is being done to achieve the desired business objectives. KPIs are cascaded annually by the Group chief executive in the following areas:

- Financial results
- Leadership results
- Relationship results
- Operational excellence results
- Risk results (including HSE).

The performance management process not only drives the desired performance and behaviour, but it is also the foundation of our talent identification and succession planning process. The performance management process also informs our Group development initiatives as individuals are required to not only complete a performance contract, but also a personal development plan. Bonus allocations are linked to performance outcomes thus rewarding and encouraging high performance.

It is mandatory for our middle, senior and top managers to capture their performance contract and development plans as well as their performance evaluations onto our online system. This allows us to draw meaningful individual data and facilitates our talent management processes. We currently have 1 071 managers on the system.

Investing in our people

Opportunities for development

We encourage our employees to stretch their capabilities and support them in achieving their full potential by providing a range of learning and development opportunities. The bulk of spend continues to be on technical training. During FY2013 the Group spent R156,2 million on training and development. This represents money spent on formal training initiatives, and not continuous on-the-job training and coaching which enables every employee to perform their duties effectively and safely. In South Africa, we spent R110,3 million of which 74% was on black employees and 15% on women. This equates to about 1,3% of payroll. Our technical training spend in South Africa can be broken down into two main areas, mining – R50,3 million and engineering and construction – R54,8 million.



PHUMUDZO MAFANEDZA IS ONE OF OUR DEDICATED UCT BRAND AMBASSADORS. SHE IS A 3RD YEAR ELECTRICAL ENGINEERING STUDENT SPONSORED BY MURRAY & ROBERTS PROJECTS.



"THE CAMP FULFILLED ITS PURPOSE IN THAT I GOT TO LEARN ABOUT THE COMPANY, ITS VALUES AND ITS VISION. HAVING SOME OF THE GRADUATES WHO JUST STARTED WORKING FOR THE COMPANY WAS BOTH ENRICHING AND ENCOURAGING, THEY GAVE US INSIGHT ON HOW THINGS WORK AT THE COMPANY AFTER COMPLETING UNIVERSITY, WHICH WAS VERY HELPFUL." **THETSI MAKHUYA** (3RD YEAR CONSTRUCTION MANAGEMENT STUDENT)

Attracting future talent

GROUP BURSARY SCHEME

We currently have 80 engineering and built environment bursars studying at various tertiary institutions in South Africa. Of these, 65% are black and 33% are women. Bursars are encouraged to volunteer to become our "Brand Ambassadors" on campus, assisting us to attract fellow students onto the bursar programme. This initiative has proven to be very successful as bursars are given the opportunity to develop their organisational and leadership skills and we are able to attract suitable candidates.

Bursars attend an annual camp to learn more about the Group, and to network with each other.

Employee Benefit Trust

Established in 2006, as a shareholder in Murray & Roberts, the Letsema Khanyisa scheme seeks to provide meaningful benefits to qualifying Murray & Roberts employees and their immediate families on a compassionate needs basis. Qualifying employees are those that:

- Have been employed for more than three consecutive years as permanent employees and more than three years of cumulative service as temporary employees without a 12 month break in service on the date of application for benefits
- Earn less than predetermined wages/salaries per year
- Are classified as African, Coloured or Indian South African citizens.

While several benefits have been considered and applied since the inception of the Trust, the most significant benefit awarded through the Trust has been the Letsema Education Bursaries. Through this benefit, Murray & Roberts awards secondary and tertiary education bursaries to children of qualifying employees.

There are currently 186 bursars of which 170 are active (88 secondary and 82 tertiary bursars). Sixteen bursaries have been suspended for 2013 as learners either failed the 2012 academic year or failed to complete relevant tertiary modules. Tertiary education bursaries are not limited to courses within the construction and engineering fields, and cover other disciplines such as accounting, IT, human resources, education, marketing and hospitality, among others.

We have disbursed R5,6 million in bursary payments between January and June 2013.

SAICA – Thuthuka Bursary Fund

In 2013 Murray & Roberts established a relationship with the South African Institute for Chartered Accountants ("SAICA"), focusing specifically on the Thuthuka Bursary Fund ("TBF"). The TBF is a project within SAICA which was established in response to the dearth of high level skills within the accountancy profession, particularly among certain designated groups.

Murray & Roberts will co-sponsor six students (two a year over the next three years) with a view to providing vacation work, learnerships and final placement of the students within Murray & Roberts once they have attained their qualifications.

Graduate Development Programme

The Murray & Roberts Graduate Development programme continues to prepare young engineering and built environment graduates for the world of work through a structured four-block programme. Graduates are taught a range of skills including presentation skills, communication and relationship skills, business ethics and etiquette, personal finance and labour law, as well as technical skills such as value-engineering and project management.

The class of 2013 comprises 28 graduates of who 61% are black and 25% women.

SOCIAL PERFORMANCE CONTINUED



BAOBAB LEARNING CENTRE

Best-of-breed training facilities

The Baobab Learning Centre located on the 9th floor of the Douglas Roberts Centre in Bedfordview was inaugurated in March this year by the Group chief executive. Leadership programmes, workshops and forums are hosted at the facility, making it easy for board members and senior leaders to meet delegates and participate in the programmes.

The centre boasts modern facilities, high-tech equipment and accommodates up to 180 delegates.

Murray & Roberts Cementation Training Academy

The Murray & Roberts Cementation Training Academy at Bentley Park is the only institution of its kind in the mining industry that is ISO 9001:2000, ISO 14001:2004 and OHSAS 18001:1999 accredited. The academy is also accredited by the Mining Qualifications Authority.

The academy intends to become a leading provider in shaft-sinking, mineral excavation, basic engineering and health and safety education, training and development.

Based near Carletonville, the academy was established in November 2005, originally to provide employees with company induction and special skills training. Over subsequent years, and as a result of substantial investment in the facility, its offering has expanded and evolved to occupy a foremost position in the mining training arena.

The Group vision and culture provide a platform for the academy to offer an integrated range of education, training and development (“ETD”) methodologies that are relevant to business needs.

Our training staff are technical experts and qualified ETD practitioners registered with the Mining Qualifications Authority. In addition, we have the capacity to offer a unique e-learning experience combined with strong visually based training. We also offer a simulation environment to drive applied competence.

The academy has received commendations from the likes of Robin Probart (President of ASTD Global), Guy Blackbeard of Blackbeard and Associates, the Worley Parsons TWP Health & Safety team and the Anglo Platinum HRD team in the Rustenburg region.



MURRAY & ROBERTS CEMENTATION TRAINING ACADEMY

Our development commitment is changing the face of our industry

Women are succeeding in previously male-dominated fields

Sibongile Mthimunye

Sibongile Mthimunye has shown that women can comfortably take on roles typically filled by men. As a forklift driver at Kusile Chimneys (a Concor Civils and Kareena Africa joint-venture), Sibongile has proven her mettle since January 2013. Prior to becoming a forklift driver, she was employed on a temporary contract basis as the 'tea lady'. After obtaining her forklift driver licence in November 2011, she quickly threw herself into the process of learning to operate a forklift.

"In the beginning, it was very daunting but my banksmen, Sam Motsoeneng and Zaks Sekanelo, offered me a lot of support and continue to do so. Becoming a certified forklift driver requires more than just the ability to drive and operate a vehicle. Operating any type of heavy machinery takes skill and experience, to ensure that safe driving practices are implemented," says Sibongile.

"My team has been extremely patient with me, offering guidance and the benefit of their years' of experience in the field. This has provided me with the confidence and knowledge to enthusiastically embrace my new job," she concludes.

On Eskom's Kusile project, Murray & Roberts Projects has put 336 apprentices through its training programme. Currently they have 65 apprentices in training preparing for their trade tests. All the ladies below passed their trade test on the first attempt and are currently appointed as artisans at Kusile.

Lynette October

Lynette moved to Lephalale to get away from a troubled youth. She applied for a pipe fitter apprenticeship and was accepted. "One day I got a call. A lady told me I had been accepted. I was so excited, I just said, 'Yes, yes, yes!' I wasn't listening to what she was saying – I had to call her back."

Lynette completed her training – along with 700 fellow apprentices – and is now a qualified pipe fitter at the Medupi Power Station. For the first time in years, Lynette brings home a salary. She supports her six year-old daughter and is even able to send money to her mother in Cape Town.

Dineo Thema

25 year-old Dineo participated in the apprenticeship programme with Murray & Roberts Projects in 2009. She was appointed as a welding apprentice and then qualified as an artisan in 2011. She worked as an artisan and demonstrated good leadership skills and a strong will to succeed. Dineo has recently been appointed as a foreman responsible for welding handrails and beams modifications and other steel structures. She is currently leading a team of 15 welders.



SIBONGILE MTHIMUNYE



LYNETTE OCTOBER



DINEO THEMA

SOCIAL PERFORMANCE CONTINUED

Transforming industrial relations to employee relations

Murray & Roberts supports employees' right to freedom of association, and 76% of our South African workforce is covered by bargaining council or trade union agreements.

The year under review has seen a rise in industrial action across our South African businesses. Reasons for this include the inter-union rivalry and socio-political issues such as service delivery, general expectations of improved living standards and unemployment.

Our results were impacted by the following strike action:

- Five-month work stoppage at Medupi
- Mining and transport strikes

The financial impact was estimated at R350 million for the year.

In response to the extensive stoppages experienced at the Medupi and Kusile power stations, a new Partnership Agreement ("PA") was negotiated between Eskom, the contractors and the trade unions on both sites. The PA sets out what the partnership represents, its aspirations and objectives, its principles and scope and the commitments required to ensure its sustainability. The PA commits the parties to promoting principled partnerships, employee engagement, a fair and transparent workplace culture, and decent work. Equally the PA commits the parties to promoting innovation, best operating practices and high levels of efficiency and productivity.

The Murray & Roberts operating companies are also focusing on the following initiatives:

- Supervisory and foreman training in people management skills
- Improving communication initiatives with all employees
- Improving employee induction with specific training around dispute resolution, benefits and rules and regulations contained in the new PA
- Engaging with union officials at senior level in formal and semi-formal interactions
- Improving productivity incentivisation
- Expedient internal dispute resolution prior to being escalated to external mediation

All businesses have grievance and disciplinary policies and procedures in place. At Group level, our Group sustainability

executive has been tasked with developing an employee relations framework which will govern trade union and employee relationships.

TRANSFORMATION AND LOCAL ECONOMIC DEVELOPMENT

Murray & Roberts has embraced the philosophy that while broad-based transformation and employment equity are moral, social and legal imperatives, they are also economic imperatives that will shape our Group's sustainability within the South African context.

Diversity and employment equity

Diversity management and transformation of our workforce continue to be a priority and a challenge.

A diversity programme facilitated by Stanley Bongwe from the Diversity Institute has been implemented across the Group's South African senior leadership and will be rolled out throughout the businesses. This interactive programme deals with myths and prejudices based on perceived differences. This, together with our values of care and respect, has created a stronger foundation for conducive relationships in a high-performance working environment.

As we continue on our transformation journey, we are pleased to announce that Thokozani Mdluli has been appointed to the Group executive committee from 1 July 2013. Thokozani heads up our health, safety and environmental function and has made immense progress in this area.

Of our South African-based employees, 76% (2012: 86%) are black, while 12% (2012: 15%) are women. The drop in this number is mainly due to the downsizing of Murray & Roberts Cementation after the termination of the Aquarius contract. Due to the change in headcount, the number of black managers has increased to 64% (2012: 58%) and women managers have reduced to 9% (2012: 11%).

All our South African operating companies comply with the Employment Equity Act requirements, and have employment equity committees and plans in place. This year we will strive to improve our numbers at the professionally qualified and mid-management level.

Our non-South African operations strive to meet gender and minority targets to create a workforce profile that reflects the talent available in the communities in which they work.

MURRAY & ROBERTS SOUTH AFRICAN OPERATIONS EMPLOYMENT EQUITY PROFILE

EE LEVEL	Male				Female				Total excluding foreigners	Foreign		
	African	Coloured	Indian	White	African	Coloured	Indian	White		Male	Female	Total
Top management	0	0	2	28	0	0	0	0	30	5	0	35
Senior management	11	3	11	137	3	0	0	13	178	11	0	189
Middle management	118	66	45	658	22	9	14	74	1 006	30	3	1 039
Junior management	4 547	348	81	1 371	403	59	38	273	7 120	702	4	7 826
Semi skilled	5 581	170	32	210	1 081	93	29	134	7 330	1 399	1	8 730
Unskilled	4 221	147	7	417	628	24	1	3	5 448	101	3	5 552
Total permanent	14 478	734	178	2 821	2 137	185	82	497	21 112	2 248	11	23 371
Temporary employees	639	74	25	114	110	3	1	10	976	48	1	1 025
Grand total	15 117	808	203	2 935	2 247	188	83	507	22 088	2 296	12	24 396
Disabled	13	1	1	15	0	1	2	4	37	0	0	37

Broad-based Black Economic Empowerment

Murray & Roberts is committed to Broad-Based Black Economic Empowerment ("BBBEE") in our South African business. We follow the provisions of the Broad-Based Black Economic Empowerment Act No. 53 of 2003 and the principles embodied in the Codes of Good Practice on Broad-Based Black Economic Empowerment ("BBBEE Codes") and the Construction Sector Charter. As a leading South African enterprise, Murray & Roberts and its operating companies have adopted a holistic BBBEE strategy, which aims to achieve:

- Appropriate BBBEE ownership at all its operations through a tiered approach from Murray & Roberts Holdings Limited and from within selected operating companies
- A meaningful number of black senior executives throughout the Group
- An employee complement that reflects the diversity of South Africa's demographic profile
- A core complement of black professionals
- Comprehensive skills development to enhance individual and organisational capability and capacity
- Preferential procurement policies that leverage the broad-based principles of BBBEE and support local procurement where appropriate
- Enterprise and social development programmes aimed at accelerating the development, empowerment and access to the economy of previously disadvantaged individuals and groups.

Due to the Group's diversity, individual operating companies are encouraged to tailor their BBBEE strategies to their specific needs and the Group monitors their performance.

The Group achieved a consolidated BBBEE rating of level 3 measured against the Construction Sector Charter, which was independently verified by EmpowerLogic (Pty) Limited, an accredited BBBEE verification agency. Individual operating company BBBEE ratings range from level 2 to level 6. Targets under the Construction Sector Charter will increase in FY2014 for equity ownership, management control, employment equity and preferential procurement, which may impact the Group's rating. All operating companies are encouraged to improve their ratings so that the Group can, at least, maintain a level 3 BBBEE rating.

A review of the Group's current empowerment criteria confirms that the Group's empowerment status is compliant with various industry charters and current legislation. The key areas for improvement are management control and employment equity. We acknowledge that BBBEE remains a priority challenge for the Group and that there is much to be done to ensure we meet our targets as well as maintain our commitment to meritocracy as the basis for appointment and reward.

The Letsema BBBEE shareholding scheme offers previously disadvantaged employees, their families and some of the communities in which Murray & Roberts operates a stake in the company and its future. Since Letsema was launched in 2005, wealth of approximately R734 million has been created for participants and total dividends of R230 million have been paid to the trusts. Wealth creation is primarily determined by the share price value and dividend payments by Murray & Roberts.

The Group's BBBEE ownership score is 31,7%, above the increased Construction Sector Charter target of 30%. The calculation of our BBBEE ownership percentage is based on the value of

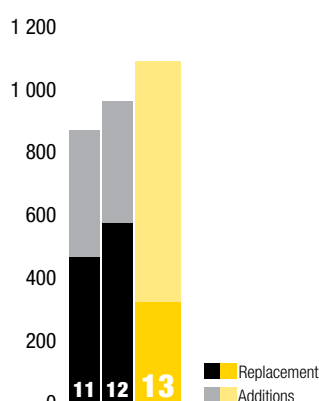
Murray & Roberts' South African operations, where our South African revenue, EBIT and assets are considered. The higher the international activity, the higher the score.

Local economic development

Murray & Roberts is committed to supporting local economic development, with the aim of supporting government and client localisation strategies. We have made a significant investment in our plant and equipment over the past three years with a cumulative capital expenditure of R2,9 billion. R1,6 billion has contributed to the expansion of our productive base.

CAPITAL EXPENDITURE

(R MILLIONS)

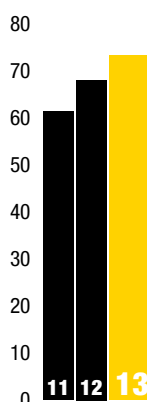


This investment has created more jobs both directly and indirectly and provides a platform for future growth and economic development in the economies in which we operate.

Preferential procurement as a percentage of total procurement spend increased to 73% (2012: 68%) of the South African operations' procurement expenditure of approximately R11,7 billion. This is above the increased Construction Sector target of 70%.

PREFERENTIAL PROCUREMENT AS % OF TOTAL PROCUREMENT SPEND

(%)



We also increased our percentage procurement from small and micro enterprises and black women-owned businesses as shown overleaf with a drop in procurement from suppliers that are more than 50% owned. Our operating companies actively manage preferential procurement but the level of procurement varies depending on the availability of suitably qualified suppliers.

SOCIAL PERFORMANCE CONTINUED

PREFERENTIAL PROCUREMENT AS % OF TOTAL PROCUREMENT

PREFERENTIAL PROCUREMENT AS % OF TOTAL PROCUREMENT	2011	2012	2013
Qualifying small enterprises & exempted micro enterprises	12,9%	16,6%	19,6%
Suppliers that are >50% black owned	11,2%	14,0%	10,9%
Suppliers that are >30% black women owned	3,0%	2,6%	6,0%

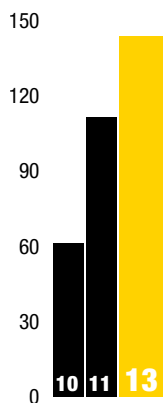
Procurement from black women-owned suppliers improved significantly to 6,0% (2012: 2,6%) but is still below the new target and remains a challenge. The target procurement spend outlined in the Construction Sector Charter for this category of supplier is currently 6% of total procurement spend and will increase to 8%.

The Group's preferential procurement policy requires each operating company to verify its suppliers and alternatively to source empowered suppliers, should the existing suppliers not be appropriately empowered.

We undertake various enterprise development activities through our operating companies. Activities include the procurement of subcontractors from small, medium and micro enterprises ("SMME"), early payment to SMME suppliers, preferential credit terms for buyers and administration support for certain contractors, suppliers and clients. The total value of enterprise development initiatives across the Group was R143,4 million in 2013, representing 0,8% of affected turnover.

ANNUAL ENTERPRISE DEVELOPMENT SPEND

(R MILLIONS)



COMMUNITY DEVELOPMENT

Community engagement within Murray & Roberts has evolved into a group-wide, strategic business imperative that is responsive to the needs of both local communities and national development initiatives. We have adopted appropriate community strategies aimed at redressing social injustices and contributing to sustainable development.

Three strategic programmes encompass the Murray & Roberts community development strategy, namely Murray & Roberts Corporate Social Investment ("CSI"), the Letsema Sizwe Community Development Trust and the Murray & Roberts Child Welfare Fund. The programmes are aligned with the overall business strategy,

focusing on development in the core areas of mathematics, science and technology education, numeracy and literacy development in early childhood and environmental education. Priority is also placed on women's empowerment, youth development, supporting people living with disabilities, orphans and vulnerable children and promoting high-performance sports development.

Corporate social investment

FY2013 Budget expenditure

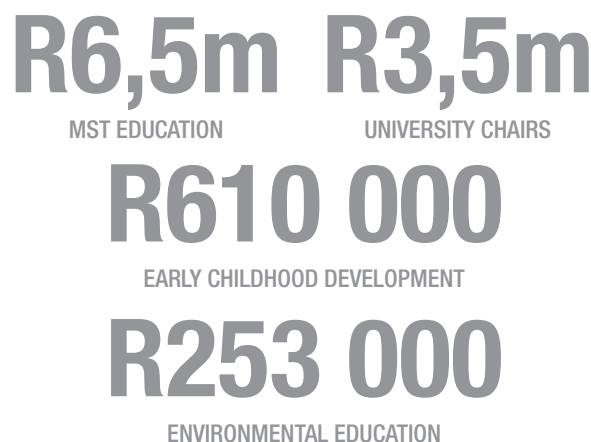
The total budget expenditure for FY2013 was R13,7 million, including CSI overhead costs and salaries (2012: R14,4 million). 80% of the budget (R10,9 million) was allocated to education interventions while the remaining funds (8% and 12% respectively) were allocated to general donations and departmental overheads.

Commitment to education

Recognising that education is the starting point for a country's capacity for sustainable development, we consistently seek to identify those components within the education system that require support.

Our CSI strategy remains firmly rooted in advancing education reform, focusing specifically on mathematics, science and technology ("MST") education, numeracy and literacy skills in early childhood development and environmental education. We also continue to sponsor university chairs, leveraging academic and research expertise for the benefit of Murray & Roberts bursars and operating platforms.

Expenditure within these education subsets is reflected as follows:



Partnering for impact

In the year under review, Murray & Roberts partnered 19 institutions, collectively reaching thousands of beneficiaries in both rural and urban settings. Within this group, 15 organisations implement programmes directly related to science, engineering and technology education. Among the 15 primary partner organisations, we support academic chairs at two universities, six organisations working within MST education in schools, three early childhood development interventions, one environmental education project and three of the largest science centres in the country.

The remaining four organisations represent secondary, albeit strategic partnerships with organisations such as the National Business Initiative, Business against Crime South Africa and the South African Business Coalition on HIV and Aids, among others.

Beneficiary organisations are located in eight of the nine provinces, with no footprint in the Northern Cape. The current geographical representation of projects has been informed by historical trends and more recently, the socio-economic development requirements linked to commercial projects.

Through these partnerships we have achieved coverage across the education pipeline, reaching learners in community-based early learning centres, primary and secondary school learners as well as engineering bursars within tertiary institutions.

Technology Research Activity Centre

The Technology Research Activity Centre ("TRAC") programme remains our flagship CSI project. Murray & Roberts currently funds three fixed and three mobile laboratories located in the Eastern Cape, Gauteng, Limpopo, Kwa-Zulu Natal and Mpumalanga. TRAC remains committed to continuous improvement and this is evident in their partnership with, and support for, schools. TRAC leadership reported recently that the Nkangala District in Mpumalanga attained first place for their grade 12 physical science results, with a pass rate of 69% at the end of 2012. The district consists of 20 circuits and the Murray & Roberts TRAC laboratory in Delmas achieved fourth position out of the 20 circuits by recording a 77,7% pass rate for physical sciences for the first time.

Rhodes University – National Environmental Education Teacher Development

The Murray & Roberts Chair of Environmental Education is also breaking new ground in relation to the provision of quality environmental education in schools through the National Environmental Education Teacher Development ("NEETD") project. Funding from Murray & Roberts has enabled the development of a core set of learning and teaching materials in environmental education. The materials are linked to the new Curriculum Assessment Policy Statements and have been designed to integrate environmental education into several learning areas in schools and into teacher training. The materials are being developed in partnership with the Departments of Basic and Higher Education, the Department of Environmental Affairs and a consortium of environmental NGOs. The materials have been tested and are ready for final production. The project also resulted in the establishment of a broader environmental education programme called Fundisa for Change which will be launched later this year. The Fundisa for Change programme is significant in that it will be implemented by the NEETD consortium partners across several provinces and aims to decrease duplication and over saturation of projects in certain areas.

Business Against Crime South Africa ("BAC")

Murray & Roberts renewed its commitment to the BAC South Africa initiative. We have committed to a three-year partnership, commencing with a donation of R250 000 in 2013.

Letsema Sizwe Community Trust

Jack Cheetham & Letsema Award Beneficiaries

The Letsema Sizwe Community Trust ("Letsema Sizwe") was established as one of four vehicles to help Murray & Roberts broaden its ownership base. Letsema Sizwe provides benefits to national and regional community groups with the aim of promoting and enabling social upliftment of communities, focusing specifically on orphans and vulnerable children, black youth, people with disabilities and black women. Since its inception in 2006, Murray & Roberts has provided funding to several partner NGOs to carry out work with marginalised groups. Letsema Sizwe also supports the development of sport among able-bodied and disabled people, through the annual Jack Cheetham and Letsema Sports Development Awards.

The Jack Cheetham and Letsema Awards are hosted annually by Murray & Roberts, in partnership with the South African Sports Confederation and Olympic Committee ("SASCOC"). The Jack Cheetham Memorial Award was initiated by Murray & Roberts 32 years ago in recognition of the special qualities of Jack Cheetham, a former director of the company and the inspirational captain of the South African cricket team in the 1950s who was able to instil in young people the belief that they could win. The award targets sports development projects, focusing on individuals or teams that have the potential to be champions. The Murray & Roberts Letsema Award was initiated in 2009 following the outstanding performance of athlete Hilton Langenhoven who captured the attention of the world at the 2008 Paralympics in Beijing. The award recognises sports development projects for people with disabilities.

There are currently 19 beneficiary organisations being funded by the Letsema Sizwe Community Trust. For the period under review we disbursed R1,5 million from Letsema Sizwe.

Murray & Roberts Child Welfare Fund

The Murray & Roberts Child Welfare Fund has evolved into a well-established programme that is financed through voluntary employee payroll giving contributions and the proceeds from annual fundraising events. Donations from the Child Welfare Fund are allocated to organisations that serve the needs and interests of orphans and vulnerable children across South Africa. Funds from the Child Welfare Fund are allocated to cover basic needs such as food, clothing, educational resources and shelter. During 2013 in excess of R150 000 was allocated to seven organisations.

ENVIRONMENTAL PERFORMANCE

Murray & Roberts is committed to the principle of Zero Harm to the natural environment in all operations and activities conducted. In the year, we continued to implement initiatives to improve our environmental risk management programme and associated reporting processes. This project is still ongoing and the current status of these actions is shown below.

ACTION	STATUS
Implement an electronic system for reporting and consolidation of environmental data across the Group.	The system has been implemented across the Group.
Implement an environmental data reporting standard.	The standard has been implemented and formal training provided to operating companies. Additionally, an internal data assurance process was conducted on a selection of environmental parameters at a number of operating companies.
Implement an environmental incidents and risks standard.	The standard has been implemented and formal training provided to operating companies.
Establish Group environmental reduction targets.	Qualitative environmental targets were set at Group level during the reporting period. Reporting against these targets will commence in FY2014. Additionally, a process will be undertaken during FY2014 to set quantitative targets at operational level. More details are provided below.

2013 PERFORMANCE

Our environmental performance with respect to our energy usage, carbon footprint and ISO 14001 implementation is shown below. Details on water usage are also included later in the report. Annual performance for water usage will be reported from FY2014 following the definition of the reporting boundary.

PERFORMANCE DIMENSION	2011	2012	2013	Movement
Environmental performance				
Energy usage (MWh)	1 095 843	1 575 287*	1 092 511	↓
Carbon footprint (t CO ₂ e)	515 506	527 554*	414 171	↓
ISO 14001 Management System implementation (% coverage)**	± 35	44	58	↑

* These figures differ from what was reported in last year's Integrated Report (originally 1 717 120 MWh and 565 034 t CO₂e) because Clough's Scope 1 emissions were originally misstated. These have since been corrected.

** Percentage ISO 14001 certification is calculated over the number of employees covered by certification i.e. employees and subcontractor employees under our control. The 2013 figure excludes employees hired by joint-ventures.

Energy usage

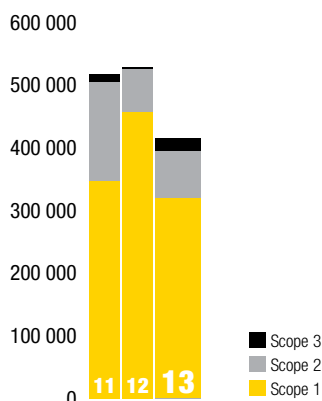
Increasing industrialisation and urbanisation, higher fossil fuel consumption, rising energy costs and climate change are major concerns for broader society and Murray & Roberts. During FY2013, the Group consumed approximately 1 million megawatt hours (MWh) of energy from a variety of sources, with bituminous coal and diesel (both stationary and mobile combustion) accounting for 80% of the Group's energy usage. The table below indicates the different energy sources utilised across the Group.

ENERGY SOURCES UTILISED ACROSS THE GROUP

ENERGY SOURCE	MWh	% of total	Major user
Bituminous coal	597 134	54,7	Ocon Brick
Diesel	271 225	24,8	Concor Roads & Earthworks
Heavy fuel oil	118 342	10,8	Much Asphalt
Electricity	77 697	7,1	Much Asphalt
Petrol	17 445	1,6	Murray & Roberts Cementation
Natural gas	5 386	0,5	Much Asphalt
LPG	5 118	0,5	Cementation Canada
Acetylene	164	0,01	Murray & Roberts Projects

Carbon footprint

TOTAL GREENHOUSE GAS EMISSIONS (t CO₂e) FOR FY2011 – FY2013



Murray & Roberts has been participating in the Carbon Disclosure Project ("CDP") since 2008 and we have measured and reported on our carbon emissions since then. The Group completed the CDP 11 (11th edition) questionnaire in May 2013. Details on our performance to date are provided in our public responses to the CDP (www.cdproject.net).

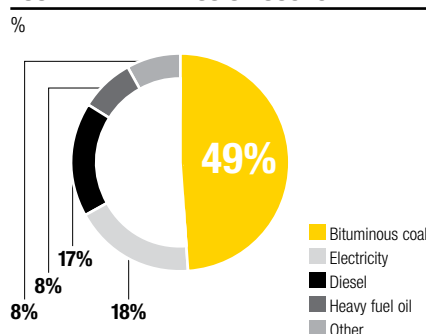
Between FY2012 and FY2013 our absolute carbon emissions (Scope 1 and 2 emissions) decreased by 25%. This is attributable to a number of factors. Firstly, we sold BRC Arabia and Murray & Roberts Steel during FY2012 (during which time these companies contributed a total of 6 023 t CO₂e to the FY2012 absolute emissions). Secondly, we have greatly improved the accuracy of our environmental reporting through the development of our environmental data reporting standard and the associated training. Thirdly, fluctuations in our carbon footprint are also correlated with variations in production and the number of projects that we are involved in. This varies from year to year making accurate carbon footprint comparisons difficult. Murray & Roberts Contractors Middle East, for example, contributed 18% to our absolute emissions during FY2012. During this time, Murray & Roberts Contractors Middle East had several projects that were heavily reliant on diesel generators until their projects were able to access grid power. During FY2013, however, they had only one project, which was connected to grid power and resulted in a significant reduction in diesel consumption. As a result, Murray & Roberts Contractors Middle East's contribution to the FY2013 carbon footprint was only 2%.

In addition, several operating companies have also focused their attention on introducing energy-efficiency/saving measures and this has contributed to a reduction in our carbon footprint. These measures include the following:

- Improving power factor correction systems and monitoring, introducing less fuel-intensive equipment and implementing energy-saving light fittings in the offices and workshops within the Murray & Roberts Building Products operating company
- Setting quantitative targets (< 600 kWh per FTE) to reduce energy consumption at Murray & Roberts Contractors Middle East; measures implemented included switching to energy efficient appliances, switching off all equipment and lights at the end of the day, utilising natural light and adjusting air-conditioning and heating systems to power saving mode
- Installing heat pumps to reduce energy consumption at Genrec.

The greatest contributor to our carbon footprint is bituminous coal.

PERCENTAGE CONTRIBUTION TO THE GROUP'S CARBON FOOTPRINT BY EMISSION SOURCE



Carbon tax implications

According to the recently released draft policy paper on carbon tax, a domestic carbon tax is to be introduced in South Africa in January 2015. The policy paper, released in May 2013, outlined the following proposed key design features of the carbon tax.

- Rate of tax:** The tax will initially be levied at R120 per tonne of CO₂ and will increase by 10% annually for the first phase of the implementation (2015 – 2019). The design features for phase 2 (2020 – 2024) of the implementation have not yet been released.
- Scope and coverage:** It is expected that a company's carbon tax liability will be limited to its Scope 1 emissions. However, the electricity sector will also be taxed and is very likely to pass the cost through to the consumer.
- Basic free allowances:** Businesses across all sectors will be awarded basic free allowances to the amount of 60% of their annual Scope 1 emissions.
- Industry benchmarks:** An emissions benchmark per unit of output will be defined for each sector. Companies that perform better than the benchmark will receive additional free allowances, while those faring worse than the benchmark will have their allowances reduced.
- Additional free allowances based on trade exposure:** Some sectors may be able to claim additional free allowances (up to 10%) based on their exposure to international trade, to allow such companies to remain competitive on the global market.
- Additional free allowances based on process emissions:** Sectors within which activities result in 'process' emissions (i.e. emissions resulting from the nature of certain processes, such as smelting, that are not able to be reduced/mitigated) may qualify for further 10% additional free allowances.

Murray & Roberts will qualify for the 60% free allowance and hence only 40% of our Scope 1 emissions within South Africa will be liable for a carbon tax at R120/t CO₂e. Based on our FY2013 carbon footprint, this may result in a tax liability of R18 million. The recently disposed Construction Products Africa Platform accounts for 78% of our Scope 1 emissions which effectively reduces our carbon tax liability to R3,8 million.

Murray & Roberts may also face an increase in the cost of electricity as a result of electricity suppliers passing on the cost of the carbon tax to its consumers. This is likely to be in the region of R2,1 million per annum, based on our FY2013 electricity consumption figures. Excluding the recently disposed of Construction Products Africa Platform, our increase in electricity spend per annum amounts to approximately R650 000.

ENVIRONMENTAL PERFORMANCE CONTINUED

The liability that the Group faces due to proposed carbon tax will only be confirmed once further details are released by South African Treasury during FY2014.

The Australian Government implemented a carbon pricing scheme in July 2012 requiring companies emitting over 25 000 t CO₂e to purchase emitting permits (A\$23 per t CO₂e). The fixed price will then rise by 2.5% a year until a transition to an emissions trading scheme in 2015 – 2016, where the available permits will be limited in line with a pollution cap. Clough and RUC Cementation, the Group's Australian operations, will not be subjected to the carbon pricing scheme given their current emissions. There is currently no federal carbon tax in Canada.

Water usage

Murray & Roberts operates in several water constrained environments, including South Africa, Western Australia and the United Arab Emirates. With the implementation of the environmental data reporting standard, this is the first year that we have reported a breakdown of water use per source for the Group as set out in the table below:

WATER SOURCE	Usage (Kilolitres)	Major user
Municipal water	1 026 153	Technicrete (592 820 KL; 58%)
Undergroundwater	119 192	Ocon Brick (54 507 KL; 46%)
Surface water	14 252	Concor Roads & Earthworks (12 305 KL; 86%)

We will continue to work on improving the accuracy and completeness of our water data in FY2014.

ISO 14001 implementation

Murray & Roberts requires that operating companies adopt the most stringent standards, whether they are imposed by client environmental management plans, local and national legislation, or the Group itself. Our operations are required to implement and comply with ISO 14001, a standard that addresses environmental management systems. Currently, 58% of the Group's operations are ISO 14001 certified, based on the number of employees covered by ISO certification. ISO 9001 coverage was at 74% at the end of the financial year. This number excludes employees hired directly by joint-ventures. We will be tracking progress towards full compliance

The following volumes of waste were reported on for FY2013:

WASTE CATEGORY	Volume	Major generator
Non-hazardous waste (t)	160 450	Ocon Brick (104 381 t)
Solid hazardous waste (t)	460	Murray & Roberts Construction: Medupi PSJV (149 t)
Liquid hazardous waste (l)	112 590	RUC Cementation (52 500 l)

We defined and introduced reporting on recycled waste during the reporting period. The following materials were recycled during FY2013:

RECYCLABLE	Volume	Major recycler
Building rubble (t)	20 331	Murray & Roberts Construction: Namibia (6 385 t)
Oil (l)	139 167	Murray & Roberts Construction: Opencast Mining (36 276 l)
Plastic (t)	193	Murray & Roberts Projects (79 t)
Paper (t)	569	Murray & Roberts Construction: Western Cape (219 t)
Timber (t)	1 640	Murray & Roberts Construction: Medupi PSJV (1 256 t)
Steel (t)	5 851	Hall Longmore (2 774 t)
Glass (t)	453	Murray & Roberts Cementation South Africa (420 t)

as part of our internal assurance plan and have set a target of full compliance by December 2014.

ENVIRONMENTAL RISK AND COMPLIANCE

During the year we conducted environmental risk reviews at some of our operations to better understand the risks facing the organisation. We also developed and implemented an environmental risks and incidents standard to ensure continuous updating and reporting on environmental risks. This process has enabled us to identify the following potential environmental risks which are closely monitored at operations and Group level:

- Undertaking listed activities without authorisation (including EIAs, waste management licenses, atmospheric emissions licenses and water use licenses)
- Contamination of soil and water sources
- Carbon tax.

During FY2013, one environmental-related fine was issued to Murray & Roberts Marine in Malaysia (MYR 2 000) for installing a generator set that consumed more than 15kg per hour of liquid fuel prior to receiving written approval from the Director General of the Department of Environment (contravention of Environmental Quality Act 1974, Environmental Quality Clean Air Regulation 1978; regulations 36: Erection of fuel burning equipment).

There were no instances of environmental litigation during the reporting period.

WASTE MANAGEMENT

We continuously strive to find means and technologies to eliminate waste generation and to recycle unused materials to reduce waste disposed to landfill site.

Waste generated by Murray & Roberts includes paper and plastic, waste bricks, concrete and hydrocarbons (oil and fuel). Waste is measured and monitored at an operational level and reporting on waste (including hazardous, non-hazardous and recycled waste) commenced in FY2013. Non-hazardous waste is recycled or reused where possible.

To improve the accuracy of our reporting on waste, we will be introducing a waste management standard across the Group in FY2014.

Environmental reduction targets

During the reporting period, Murray & Roberts initiated a process to identify environmental reduction targets. The setting of reduction targets for a large diversified Group such as Murray & Roberts requires the understanding and support of all the operations involved. Murray & Roberts' engineering, construction and mining contracts are ever-changing which complicates the ability to set fixed targets. For example, energy and carbon emissions are dependent on the scope of work and projects that Murray & Roberts secures, and a declining order book will mean a reduction in energy use and carbon emissions and vice versa.

Despite the difficulties in setting targets, we have investigated appropriate environmental-related targets. The first step in this process was to undertake local and international benchmarking between Murray & Roberts and our competitors in order to understand the target landscape. Thereafter, we considered setting

production-related indicators and targets and investigated this. Results have shown that there is no single production indicator that could be used effectively across the Group to set useful quantitative targets. Indeed, absolute targets are also impossible to set as the footprint directly correlates with the amount of work secured. As such, we set appropriate qualitative targets at the Group level to improve environmental management (see 'Looking forward' below). Furthermore, we are looking to set quantitative waste, water, energy and carbon targets at a project level. This process is underway and it is expected that targets will be identified and implemented during FY2014.

LOOKING FORWARD

In terms of environmental management and reporting across the Group, the following strategic objectives and targets have been developed and will form the basis of our focus during the next reporting period.

STRATEGIC OBJECTIVES	TARGETS
Improve energy and carbon management practices across the Group	<ul style="list-style-type: none"> Develop a Group energy and carbon management standard and associated awareness campaign.
Improve understanding and reporting of supply chain greenhouse gas emissions	<ul style="list-style-type: none"> Review and implement new Scope 3 GHG protocol requirements.
Improve water management practices across the Group	<ul style="list-style-type: none"> Ensure accurate reporting of water usage across Group.
Improve waste management practices across the Group	<ul style="list-style-type: none"> Develop a Group waste management standard and associated awareness campaign.
Improve environmental risks and incidents reporting across the Group	<ul style="list-style-type: none"> Ensure 100% compliance with ISO 14001 across Group. Conduct environmental legal compliance audits across Group. Report and investigate all Level 4 and 5 (high-potential) environmental incidents across Group.
Improve the quality of environmental reporting across the Group	<ul style="list-style-type: none"> Seek independent assurance of energy, carbon and hazardous waste.

ETHICAL PERFORMANCE

MANAGEMENT FRAMEWORKS

The Group continues to embed a morally and ethically sound performance culture within Murray & Roberts.

STATEMENT OF BUSINESS PRINCIPLES

Our Statement of Business Principles was widely distributed and enforced across the Group, both to existing staff and new recruits. Forums were held to reaffirm its importance as the standard bearer of the moral and ethical culture the Group is striving to embed.

The Group continues to conduct its business within the framework set by the regulatory requirements applicable to its industries in every territory in which it operates. In this, Murray & Roberts conducts its business in compliance with both the letter and the spirit of the law, Group policies, and its Statement of Business Principles.

REGULATORY COMPLIANCE

Regulatory compliance became a key focus during the previous year, and the Group's compliance risk laws, codes, regulation, policies, standards and procedures were tested and assured. In adopting a risk-based approach, testing focused on existing and anticipated high-risk regulations in the South African market, which include:

- Occupational Health and Safety Act No. 85 of 1993
- Mine Health and Safety Act No. 29 of 1996
- National Environmental Management Act No. 107 of 1998
- Prevention and Combating of Corrupt Activities Act No. 12 of 2004
- Competition Act No. 89 of 1998
- Labour Relations Act Amendment Bill 2012
- Basic Conditions of Employment Act Amendment Bill 2012.

Each operating company is developing and implementing its own risk management strategies that identify and implement the controls required to comply with all applicable laws and regulations.

Monitoring procedures will be intensified in FY2014 with a continued emphasis on the Group's operations. Areas of non-compliance were identified in the past year and earmarked for immediate preventative measures. No significant fines or instances of material or often-repeated instances of non-compliance were identified in FY2013. The Fast-Track Settlement process in relation to Competition Law infringements was concluded in the year under review, and comprehensive and detailed steps have been put in place to ensure compliance with Competition Law.

FRAUD, CORRUPTION, ANTI-COMPETITIVE BEHAVIOUR AND UNFAIR BUSINESS PRACTICES

Murray & Roberts subscribes to good corporate governance, good corporate citizenship and ethical business practices. The Group is a signatory to the World Economic Forum Partnering Against Corruption Initiative. The Group is also a member of Business Leadership South Africa and supports its Code of Good Corporate Citizenship.

Every executive involved in preparing and authorising a project bid, signs a declaration that he or she has not committed, and is not aware that anyone else affiliated with the bid has committed, whether directly or indirectly, any unethical or unlawful practice in the preparation and submission of the tender or resultant project delivery in question.

We reject anti-competitive or collusive conduct in any shape or form by our employees in every jurisdiction in which we operate, whether or not there are anti-competitive or anti-collusive laws in place. We are also committed to compliance with the South African Competition Act.

TRANSPARENCY

The Group encourages concerned employees to report observed unethical behaviour within any of its operations, and promotes the "Tip-Offs Anonymous" hotline service that supports reporting of workplace dishonesty and unethical behaviour, including discrimination, theft, fraud and corruption.

During the year under review, 51 cases were reported and investigated, some of which remain under investigation. Appropriate action was taken in every instance that unethical behaviour was established.

A professional firm of forensic consultants and investigators appointed by the Group assists with investigations into reported cases.

HUMAN RIGHTS

Murray & Roberts endorses the employee rights enshrined in the Constitution of the Republic of South Africa 1996, including the right to collective bargaining and other labour rights, wherever we operate. Murray & Roberts acknowledges the right of individuals to freedom of association and rejects child and forced labour. Approximately 76% of South African employees, particularly those in the mining activities, are represented by trade unions and by collective bargaining agreements. Murray & Roberts respects the rights of indigenous people and where appropriate, partners with indigenous and local communities.

UNFAIR DISCRIMINATION AND EQUALITY

Discrimination of any form is viewed in a very serious light by Murray & Roberts and appropriate disciplinary action is taken against offenders. The Group does not condone unfair discrimination and expects everyone who works for or acts on the Group's behalf to adhere to the highest ethical standards. The Group expects all employees and service providers to treat those with whom they come in contact with dignity and respect. As a South African domiciled company, the Group believes that it is not unfair discrimination to promote affirmative action consistent with the Employment Equity Act or to prefer any person on the basis of an inherent job requirement.

ECONOMIC PERFORMANCE

ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS			
PERFORMANCE DIMENSION	Performance		Movement
	2013	2012 Restated	
Financial performance			
Revenue	34 575	31 668	↑
Operating costs	32 869	32 026	↑↑
Cash and cash equivalents	6 284	3 388	↑↑
Operating cash inflow (before dividends)	1 656	(2 290)	↑↑
Order book relative to order book revenues	1,3 times	1,4 times	↓

The Group creates wealth through its operations by adding value to the cost of raw materials, products and services purchased. The table below summarises total wealth created and how it was distributed to stakeholders.

Value added to employees through payroll payments increased by 4%, while operating covering lease costs and net interest expense paid to providers of finance increased by 2%. Company tax paid to Governments increased by 147% due to profitability in tax paying jurisdictions and the high tax rate on the profit on the sale of Forge Group Limited. As a consequence of the Group profits, value added to maintain and expand the Group increased due to an increase in reserves available to ordinary shareholders.

The Group did not receive any significant financial assistance from Government during the reporting year.

Everything that is not the natural or agricultural environment is the built environment. This is where Murray & Roberts has played a significant role throughout its history, delivering the infrastructure and facilities required for sustainable growth of the economies in which it operates.

Some of the greatest challenges we face as humankind are to satisfy the growing global demand for transport and logistics, power and energy, water and sanitation, telecommunications, health and education, accommodation and facilities, and mineral extraction and beneficiation infrastructure. Our economic contribution centres on the delivery of this infrastructure, without which no economic and social development is possible.

Infrastructure owners rely on the various stakeholders within the built environment to develop, finance, design, engineer, construct, operate and supply inputs for delivery of infrastructure. We support infrastructure delivery through our core competency of engineering and construction, and through the provision of selected construction products and operations.

The quantifiable benefits of our contribution to society are not easily identified, but considering the positive impact of an adequate built environment on socioeconomic development and the scale required to make the difference measurable, the significance Murray & Roberts has attained in its markets over more than 110 years, offers some testimony in this respect.

ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS			
PERFORMANCE DIMENSION	Performance		Movement
	2013	2012 Restated	
Economic contribution			
Value added to employees	13 941	13 455	↑
Value added to providers of finance (net)	548	536	↑
Value added to government	545	221	↑
Value added to maintain and expand the Group	1 744	(135)	↑
Total value added	16 778	14 077	↑

FINANCIAL SUSTAINABILITY

The financial sustainability of engineering and construction businesses hinges on the following value drivers:

- Financial position strength which impacts the Group's credit rating for performance bonds and working capital
- Sound cash flows to support investment and growth
- A formalised project procurement system which defines our risk appetite
- The project order book relative to revenues.

The Group's year-end cash and cash equivalents position was R6,3 billion (2012: R3,4 billion) after an operating cash inflow of R1 656 million (2012: R2 290 million cash outflow). The primary contributors to the increase in the cash position are operating cash flows generated by Clough Limited, the proceeds received on the sale of Forge Group Limited of R1 784 million and the sale of non-core assets of R403 million.

Procurement of projects is the primary source of risk for the Group. The Group risk appetite sets the operational parameters for risk. Prospects are filtered against criteria such as value, country, legal system and scope, and the level of authorisation required is specified.

The opportunity management system (OMS) supports the evaluation and approval of project opportunities in the context of the risk appetite. At 30 June 2013, opportunities in the active pipeline amounted to R53 billion (2012: R74 billion).

The Group's order book increased by 2% to R46 billion. The order book for Australian based entities makes up 48% of the total Group order book. The average margin on the order book is within the Group's strategic range of 5,0% to 7,5%. The order book is located in markets that have been determined to be sustainable going forward.

FINANCIAL YEAR	Order book	Relative to revenues
30 June 2011	R55 billion	2,0 times 2011 revenues
30 June 2012	R45 billion	1,4 times 2012 revenues
30 June 2013	R46 billion	1,3 times 2013 revenues

SUMMARY OF ANNUAL FINANCIAL STATEMENTS

The following pages provide an overview of the Group's financial performance.

STATEMENT OF VALUE CREATED

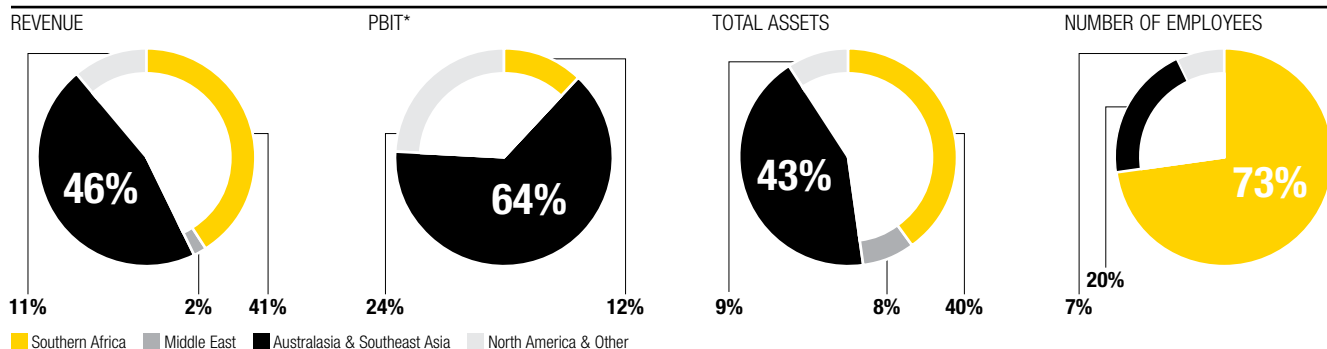
FOR THE YEAR ENDED 30 JUNE 2013

ALL MONETARY AMOUNTS EXPRESSED IN MILLIONS OF RANDS	2013	%	2012 ¹	%
Revenue	34 574,9		31 667,8	
Less: Cost of materials, services and subcontractors	(17 797,5)		(17 590,7)	
Value created	16 777,4		14 077,1	
<i>Distributed as follows:</i>				
To employees				
Payroll costs	13 940,6	83,1	13 455,3	95,6
To providers of finance				
Lease costs and net interest on loans	547,9	3,3	535,9	3,8
To government				
Company taxation	544,5	3,2	220,6	1,6
To maintain and expand the Group				
Reserves available to ordinary shareholders	1 004,3		(735,6)	
Depreciation	707,6		576,6	
Amortisation	32,5		24,3	
	1 744,4	10,4	(134,7)	(1,0)
	16 777,4	100,0	14 077,1	100,0
Number of people²	33 281		44 710	
State and local taxes charged to the Group or collected on behalf of governments by the Group				
Company taxation	544,5		220,6	
Indirect taxation	1 072,0		1 031,8	
Employees' tax	1 336,5		1 256,0	
Rates and taxes	7,1		5,6	
Government grants	(21,1)		(8,9)	
Customs and excise duty	0,7		–	
	2 939,7		2 505,1	

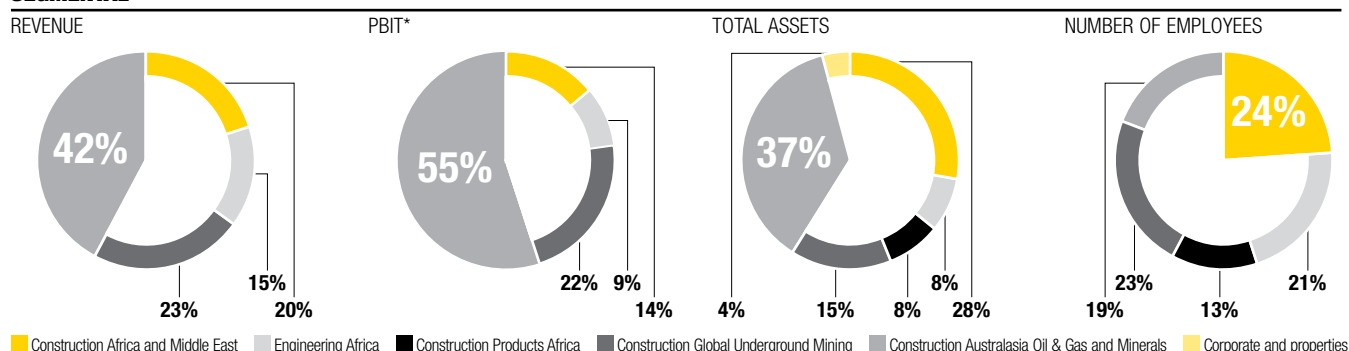
¹ Restated for discontinued operations.

² People includes both Clough employees (3 098), as well as direct joint-venture hires (3 245).

GEOGRAPHIC



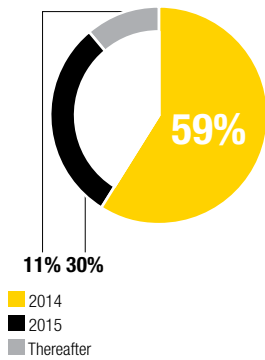
SEGMENTAL



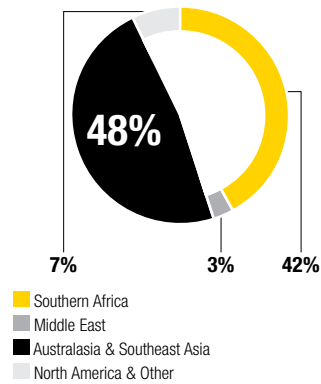
* PBIT is based on normalised profits, and excludes contract losses on Medupi Civils joint-venture of R185 million, profit on sale of Forge Group Limited of R681 million, Middle East loss of R46 million and Corporate costs of R223 million.

ORDER BOOK

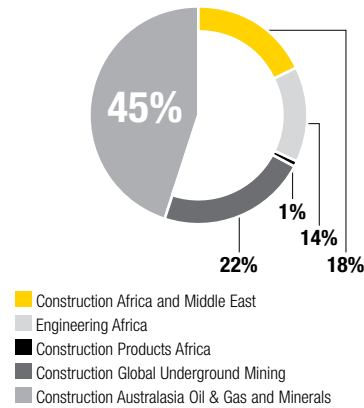
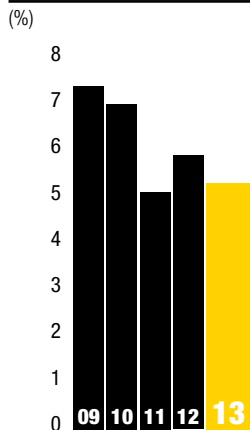
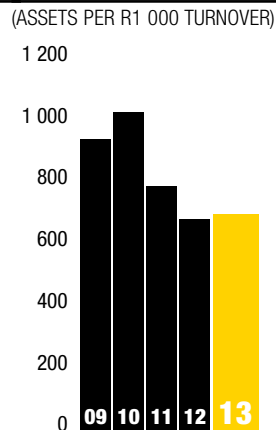
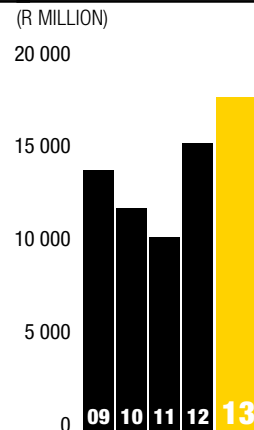
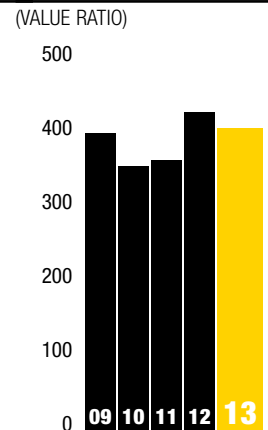
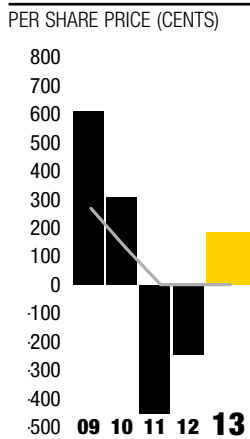
TIME DISTRIBUTION



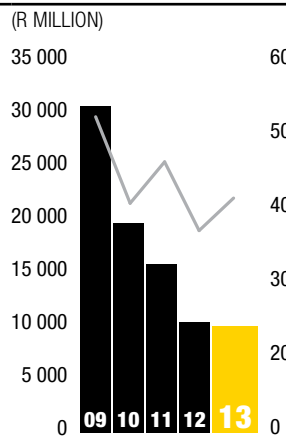
GEOGRAPHIC DISTRIBUTION



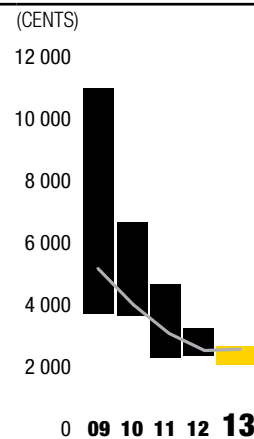
SECTOR DISTRIBUTION

**RETURN ON AVERAGE TOTAL ASSETS****PRODUCTIVITY OF ASSETS****CREATION OF VALUE****PEOPLE PRODUCTIVITY****DILUTED HEPS AND DIVIDENDS**

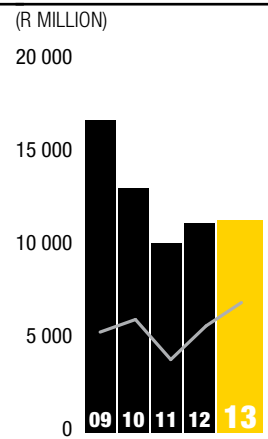
■ Diluted Heps
— Dividends

SHARES TRADED

■ Value of shares traded
— Volume of shares traded

SHARE PRICE MOVEMENT

■ High - Low
— Closing

MARKET CAPITALISATION

■ Market capitalisation
— Ordinary shareholders' funds

TEN-YEAR FINANCIAL REVIEW

30 JUNE 2013

ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF Rands	IFRS restated ¹										SA GAAP
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	
SUMMARISED STATEMENTS OF FINANCIAL PERFORMANCE¹											
Revenue	34 575	31 668	26 378	22 099	24 484	18 022	12 330	7 486	6 703	8 424	
Profit/(loss) before interest and taxation	1 706	(358)	(870)	917	1 640	992	506	195	135	405	
Net interest (expense)/income	(115)	(248)	(195)	(146)	119	96	39	29	16	10	
Profit/(loss) before taxation	1 591	(606)	(1 065)	771	1 759	1 088	545	224	151	415	
Taxation expense	(545)	(221)	(143)	(213)	(449)	(318)	(168)	(81)	(38)	(27)	
Profit/(loss) after taxation	1 046	(827)	(1 208)	558	1 310	770	377	143	113	388	
Income/(loss) from equity accounted investments	165	143	86	15	2	9	(107)	1	78	114	
Profit/(loss) from discontinued operations	259	92	(526)	656	1 026	1 284	526	417	302	–	
Non-controlling interests	(466)	(144)	(87)	(131)	(320)	(349)	(94)	(49)	(30)	(25)	
Profit/(loss) attributable to owners of Murray & Roberts Holdings Limited	1 004	(736)	(1 735)	1 098	2 018	1 714	702	512	463	477	
SUMMARISED STATEMENTS OF FINANCIAL POSITION											
Non-current assets	6 017	7 323	4 658	5 268	5 464	4 835	3 953	3 389	2 547	2 422	
Current assets	17 370	14 048	13 997	14 960	17 235	16 118	8 836	6 797	5 475	3 671	
Goodwill	488	437	435	554	490	488	206	147	48	5	
Deferred taxation assets	657	634	470	343	305	208	16	52	34	33	
Total assets	24 532	22 442	19 560	21 125	23 494	21 649	13 011	10 385	8 104	6 131	
Equity attributable to owners of Murray & Roberts Holdings Limited	7 041	5 887	4 221	6 203	5 581	4 865	3 637	3 086	3 067	2 603	
Non-controlling interests	1 657	1 215	1 100	974	1 053	960	178	108	97	54	
Total equity	8 698	7 102	5 321	7 177	6 634	5 825	3 815	3 194	3 164	2 657	
Non-current liabilities	1 958	1 596	1 873	2 383	1 447	1 290	1 103	1 028	890	734	
Current liabilities	13 876	13 744	12 366	11 565	15 413	14 534	8 093	6 163	4 050	2 740	
Total equity and liabilities	24 532	22 442	19 560	21 125	23 494	21 649	13 011	10 385	8 104	6 131	

¹ IFRS restated numbers are only for continuing operations whereas SA GAAP numbers are for both continuing and discontinued operations.

RATIOS AND STATISTICS

30 JUNE 2013

ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	IFRS restated ¹									SA GAAP
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
ATTRIBUTABLE PROFITS										
Profit/(loss) per share (cents)										
– Basic	247	(214)	(530)	336	618	521	216	152	131	135
– Diluted	245	(214)	(528)	335	612	510	212	149	129	133
Headline profit/(loss) per share (cents)										
– Basic	188	(246)	(456)	308	616	507	297	149	134	143
– Diluted	186	(246)	(454)	307	609	496	293	146	132	140
Dividends per share (cents)	–	–	–	105	218	196	116	60	45	45
Dividend cover	–	–	–	2,9	2,8	2,5	2,5	2,4	2,9	3,1
Interest cover ²	5,2	3,5	2,9	4,0	4,3	3,7	4,1	2,5	2,5	7,0
PROFITABILITY										
PBIT on revenue (%) ²	3,5	3,8	3,9	7,0	6,7	5,5	4,1	2,6	2,0	5,0
PBIT on average total assets (%) ²	5,2	5,8	5,0	6,9	7,3	5,7	4,3	2,1	1,9	6,8
Attributable profit on average ordinary shareholders' funds (%)	15,5	17,1	5,7	29,1	38,6	40,3	20,9	16,7	16,0	19,0
PRODUCTIVITY										
Per R1 000 of revenue:										
Payroll cost (Rands)	398	420	355	347	349	391	326	370	354	188
Total average assets (Rands)	679	663	771	1 010	922	962	949	1 235	1 062	738
Value created (Rm) ³	17 627	15 202	10 076	11 665	13 699	10 996	6 073	4 129	3 600	2 606
Value ratio ³	1,20	1,05	1,00	1,33	1,39	1,40	1,31	1,30	1,33	1,43
FINANCE										
As a percentage of total equity										
Total interest bearing debt	23	31	44	45	54	35	36	40	32	30
Total liabilities	182	216	268	194	254	272	241	225	156	133
Current assets to current liabilities	1,25	1,02	1,13	1,29	1,12	1,11	1,10	1,10	1,35	1,34
Operating cash flow (Rm)	1 656	(2 290)	334	691	1 559	3 116	1 935	598	663	289
Operating cash flow per share (cents)	372	(515)	101	208	470	939	583	180	200	87
OTHER										
Weighted average ordinary shares in issue (millions)	444,7	382,7	367,8	367,8	367,8	367,8	367,8	367,8	367,8	367,8
Weighted average number of treasury shares (millions)	37,9	39,2	40,3	41,3	42,1	38,7	42,0	30,0	15,2	15,3
People – 30 June ³	33 281	44 710	42 422	40 413	38 981	45 654	33 466	23 867	23 904	13 149

DEFINITIONS

Dividend cover	Diluted headline profit/(loss) per share divided by dividend per share	Value ratio	Value created as a multiple of payroll cost
PBIT	Profit before interest and taxation	Net asset value (NAV)	Ordinary shareholders' equity
Interest cover	PBIT divided by interest expense	Average	Arithmetic average between consecutive year-ends

¹ IFRS restated numbers are only for continuing operations whereas SA GAAP numbers are for both continuing and discontinued operations.

² The above calculations are based on normalised profit before interest and taxation of R1,2 billion (2012: R1,2 billion; 2011: R1,0 billion; 2010: R1,5 billion).

³ Includes continuing and discontinued operations.

SEGMENTAL ANALYSIS

30 JUNE 2013

	Group		Discontinued operations excluded from ongoing operations ¹	
	2013	2012	2013	2012
ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS				
SUMMARISED STATEMENT OF FINANCIAL PERFORMANCE				
Revenue	34 575	31 668	4 736	5 476
Profit/(loss) before interest and taxation	1 706	(358)	352	180
Net interest (expense)/income	(115)	(248)	(8)	(32)
Profit/(loss) before taxation	1 591	(606)	344	148
Taxation (expense)/ credit	(545)	(221)	(85)	(57)
Profit/(loss) after taxation	1 046	(827)	259	91
Income from equity accounted investments	165	143	–	1
Profit from discontinued operations	259	92	–	–
Non-controlling interests	(466)	(144)	(13)	(1)
Profit/(loss) attributable to holders of Murray & Roberts Holdings Limited	1 004	(736)	246	91
SUMMARISED STATEMENT OF FINANCIAL POSITION				
Non-current assets	6 674	7 957	107	1 019
Current assets ²	17 370	14 048	2 004	2 146
Goodwill	488	437	–	–
Total assets	24 532	22 442	2 111	3 165
Ordinary shareholders' equity	7 041	5 887	1 300	1 950
Non-controlling interests	1 657	1 215	16	57
Total equity	8 698	7 102	1 316	2 007
Non-current liabilities	1 958	1 596	–	20
Current liabilities ²	13 876	13 744	795	1 138
Total equity and liabilities	24 532	22 442	2 111	3 165
SUMMARISED STATEMENT OF CASH FLOWS				
Cash generated from/(utilised by) operations before working capital changes	2 053	535	450	302
Change in working capital	(4)	(2 115)	(238)	(96)
Cash generated from/(utilised by) operations	2 049	(1 580)	212	206
Interest and taxation	(393)	(710)	(53)	(80)
Operating cash flow	1 656	(2 290)	159	126

¹ Includes the Construction Products Africa operating platform, Group's properties divisions and interest in Steel reinforcing bar manufacture and trading operations.

² Includes assets/liabilities classified as held-for-sale.

Construction Africa and Middle East		Engineering Africa		Construction Global Underground Mining		Construction Australasia Oil & Gas and Minerals		Corporate and Properties	
2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
6 834	8 108	5 036	5 213	7 904	9 859	14 800	8 484	1	4
(28)	(1 317)	137	200	318	605	1 502	286	(223)	(132)
(44)	(69)	10	(71)	(23)	(1)	72	28	(130)	(135)
(72)	(1 386)	147	129	295	604	1 574	314	(353)	(267)
241	(79)	(44)	(61)	(113)	(177)	(523)	(53)	(106)	149
169	(1 465)	103	68	182	427	1 051	261	(459)	(118)
6	9	-	-	-	-	159	134	-	-
-	-	-	-	-	-	-	-	-	-
-	(9)	(10)	(4)	9	1	(452)	(131)	-	-
175	(1 465)	93	64	191	428	758	264	(459)	(118)
3 473	3 271	542	672	1 385	1 196	174	1 558	993	241
3 452	3 158	1 445	1 494	2 353	2 613	8 030	4 250	86	387
52	52	52	52	38	37	346	296	-	-
6 977	6 481	2 039	2 218	3 776	3 846	8 550	6 104	1 079	628
1 709	1 062	209	404	1 534	1 451	2 441	1 987	(152)	(967)
7	6	24	8	-	12	1 610	1 132	-	-
1 716	1 068	233	412	1 534	1 463	4 051	3 119	(152)	(967)
1 175	891	119	158	466	382	123	105	75	40
4 086	4 522	1 687	1 648	1 776	2 001	4 376	2 880	1 156	1 555
6 977	6 481	2 039	2 218	3 776	3 846	8 550	6 104	1 079	628
(164)	(1 314)	319	439	778	861	932	422	(262)	(175)
(534)	(957)	(68)	(408)	76	(172)	830	(168)	(70)	(314)
(698)	(2 271)	251	31	854	689	1 762	254	(332)	(489)
27	7	14	(127)	(116)	(286)	(44)	15	(221)	(239)
(671)	(2 264)	265	(96)	738	403	1 718	269	(553)	(728)



ASSURANCE REPORT

Assurance report of the independent auditor, Deloitte & Touche to Murray & Roberts Holdings Limited on their sustainability indicator disclosures and their self-declared Global Reporting Initiative G3.1 application level as contained in their Integrated Report for the year ended June 2013 ("the Report")

SCOPE OF OUR WORK

Murray & Roberts Holdings Limited (Murray & Roberts) engaged us to perform limited assurance procedures for the year ended 30 June 2013 on the self-declared Global Reporting Initiative G3.1 Guidelines ("GRI G3.1") B+ application level and the following subject matter:

- Corporate social investment in community programs (Rm)
- Letsema broad-based community commitments (Rm)
- Statement of total value created (Rm)
- Significant fines paid (Rm)
- Total number of bursars and percentage of bursars who are black and female
- Percentage of graduates attending the graduate development program who are black and female
- Leadership development program attendance and percentage of participants who are black and female
- Percentage of South African employees covered by collective bargaining agreements
- Composition of governance bodies
- Number of fatalities
- Percentage of employees covered by ISO 9001, excluding direct joint venture hires
- Percentage of employees covered by ISO 14001 excluding direct joint venture hires
- Percentage of employees covered by OHSAS 18001 excluding direct joint venture hires
- Number of bursaries awarded by the Letsema Employee Benefits Trust
- Cumulative wealth created through Letsema BBBEE share ownership transaction (Rm)
- Percentage of verified preferential procurement spend (Rm)
- Skills development spend (Rm)
- Percentage of SA based employees designated as management
- Number of noise induced hearing loss cases

DIRECTORS' RESPONSIBILITY

The directors are responsible for the preparation of the Integrated Report for the year ended June 2013, including the implementation and execution of systems to collect required sustainability data.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express our limited assurance conclusion on selected sustainability performance disclosures and the self-declared GRI 3.1 application level for the year ended 30 June 2013. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" (ISAE 3000). This standard requires us to comply with ethical requirements and to plan and perform our assurance engagement to obtain sufficient appropriate evidence on which to base our limited assurance conclusion.

The evaluation criteria used for our assurance are the Murray & Roberts definitions and basis of reporting. GRI G3.1 served as the criteria used for the application level assurance.

SUMMARY OF WORK PERFORMED

Considering the risk of material error, our multi-disciplinary team of sustainability assurance specialists planned and performed our work to obtain all the information and explanations we considered necessary to provide sufficient appropriate evidence. Our work was planned to mirror Murray & Robert's own group level compilation processes.

Key procedures we conducted included:

- Gaining an understanding of Murray & Roberts systems through interview with management responsible for reporting systems at corporate head office and site level; and
- Reviewing the systems and procedures to capture, collate, aggregate, validate and process source data for the assured performance data included in the Report.

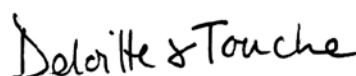
OUR CONCLUSION

Based on our examination of the evidence obtained, nothing has come to our attention which causes us to believe that the selected sustainability performance indicators are not fairly presented.

Based on the work performed on the report, nothing has come to our attention that causes us to believe that management's declaration of an application level B+ in terms of the GRI G3.1 Guidelines is not fairly stated.

This report is made solely to Murray & Roberts in accordance with our engagement letter. Our work has been undertaken so that we might state to the company those matters we are required to state to them in a limited assurance report and for no other purpose. Thus, we do not accept or assume responsibility to anyone other than Murray & Roberts for our work, for this report, or for the conclusions we have formed.

DELOITTE AND TOUCHE
REGISTERED AUDITOR



PER – AN LE RICHE
PARTNER

26 September 2013

1st Floor, The Square, Cape Quarter, 27 Somerset Road,
Greenpoint, Cape Town, 8005