



MURRAY & ROBERTS BUILDINGS
BAY WEST MALL
EASTERN CAPE, SOUTH AFRICA

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SUSTAINABILITY FRAMEWORK

ANDREW SKUDDER
Sustainability executive



Sustainability Framework

INTEGRATED REPORTING

SOCIAL

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

ENVIRONMENTAL

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ETHICAL

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FINANCIAL AND ECONOMIC SUSTAINABILITY

GOVERNANCE STRUCTURE

RISKS AND OPPORTUNITIES

STAKEHOLDER ENGAGEMENT

Our Group Sustainability Framework guides our approach to sustainable performance. It 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 businesses able to create and sustain value for clients, employees, shareholders, partners and suppliers, as well as the countries and communities in which we operate; and
- 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, which links back to our stakeholders and completes the cycle of accountability and inclusivity that ultimately underpins our sustainability.



MURRAY & ROBERTS INFRASTRUCTURE, **COLCHESTER BRIDGES**
EASTERN CAPE, SOUTH AFRICA

GROUP OVERVIEW

LEADERSHIP REVIEW

**SUMMARISED GROUP
PERFORMANCE REVIEW**

OPERATIONAL PERFORMANCE
REVIEW

GOVERNANCE, RISK AND
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SUMMARISED FINANCIAL
REPORT

SHAREHOLDERS'
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STAKEHOLDER ENGAGEMENT

Murray & Roberts strives to communicate and engage openly, effectively and inclusively with key stakeholders. We define our key stakeholders 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 who are dependent on Murray & Roberts. Mutual trust and understanding between the Group and its stakeholders is imperative.

Our stakeholders are diverse, and are grouped into the following main categories:

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

The Group continuously interacts with these stakeholder groups, as our relationship with each has a direct impact on the sustainability of our business.

Stakeholder engagement is defined as the process used by the Group to engage key stakeholders for a clear purpose to achieve accepted outcomes. It is also a fundamental accountability mechanism, as it obliges the Group to involve stakeholders in identifying, understanding and responding to sustainability issues and concerns, and to report, explain and be answerable to stakeholders for decisions, actions and performance.

Quality stakeholder engagement must:

- Be based on the Group's stakeholder engagement philosophy;
- Clearly define the scope of engagement;
- Focus on issues material to the organisation and/or its stakeholders;
- Create opportunities for dialogue;
- Be transparent;
- Be timely; and
- Be flexible and responsive.

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

- Comply with laws, and the principles and best practice recommendations set out in the King III pertaining to stakeholder relationships;
- Establish clear accountability for effective stakeholder engagement;

- Consider the views and concerns of stakeholders in the Group's 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 appropriate communication channels/mediums;
- Promote awareness in Group companies of the importance, value and methodologies for stakeholder consultation and relationship management; and
- 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 panels/public meetings, including "town hall" meetings);
- Technological engagement (website, intranet, email and SMS); and
- Printed engagement (media releases, newsletters, internal magazines, integrated report).

The top ten concerns for our key stakeholder groups, as currently identified by management, are:

- Sustainable growth of the Group's target markets;
- Health, safety and productivity of our employees and contractors;
- Financial performance of the Group;
- Leadership and strategic direction provided by the Board and senior management;
- The reputation and credibility of the Murray & Roberts brand;
- Transformation and BBBEE;
- Compliance with laws, regulations and standards;
- Remuneration paid to directors, executives and staff;
- Quality, cost and timely delivery of projects; and
- Capability and capacity to deliver the Group's order book.

GROUP PERFORMANCE REVIEW

KEY INDICATORS Performance dimension	Performance			
	2014	2013	2012	Movement**
Safety				
Fatalities	4	2	4	↓
FIFR ("fatal incidents frequency rate")*	0,03	0,01	0,02	↓
LTIFR ("lost time injury frequency rate")*	0,80	0,82	1,14	↑
TRCR ("total recordable case rate")*	3,9	3,4	4,6	↓
OHSAS 18001 Management System implementation (% coverage)	85%	69%	71%	↑
Health				
Voluntary HIV/Aids tests	2 173	2 140	7 976	↑
HIV/Aids prevalence of employees tested	4,2%	About 15%	About 12%	↓
New cases of tuberculosis	5	19	21	↑
Noise induced hearing loss ("NIHL")	23	29	36	↑
Alcohol random tests	566 135	124 127	130 141	↑
% positive alcohol random tests	0,09%	0,2%	0,4%	↑
Drug random tests	9 273	6 828	5 220	↑
% positive drug random tests	2,5%	1,0%	0,6%	↓
Employees				
Spending on formal employee training and development (Rm)	260	156	133	↑
Skills development on black employees as % of SA skills development spend	67%	74%	74%	↓
Total number of bursars	56	80	94	↓
% of bursars who are black	68%	65%	66%	↑
% of bursars who are female	34%	33%	22%	↑
Graduates attending the development programme	39	28	27	↑
% of graduates who are black	62%	61%	59%	↑
% of graduates who are female	26%	25%	19%	↑
Leadership Development Programme	184	134	207	↑
% of participants who are black	52%	43%	38%	↑
% of participants who are female	27%	28%	23%	↓
Transformation & Local Economic Development				
BBBEE rating based on the Construction Sector Charter	Level 2	Level 3	Level 3	↑
Wealth created through Letsema BBBEE share ownership transaction (Rm)	693	734	682	↓
% of South African based employees who are female	10,4%	12,4%	14,6%	↓
% of South African based employees who are black	74,6%	76,4%	86,4%	↓
% of South African based employees designated as management who are female	12,1%	8,5%	11,4%	↑
% of South African based employees designated as management who are black	60,4%	63,6%	57,6%	↓
Capital expenditure (3-year cumulative amount; Rm)	3 010	2 918	2 920	↑
% Preferential procurement spend South Africa	79,6%	73,1%	67,9%	↑
Enterprise development contribution South Africa (Rm)	71,8	143,4	111,1	↓
Community Development				
Corporate social investment in community programmes (Rm)	14,0	13,7	14,4	↑
Letsema broad-based community commitments (Rm)	1,5	1,5	1,2	→
Bursaries awarded by the Letsema Employee Benefits Trust (Rm)	8,7	7,1	8,9	↑
Murray & Roberts Child Welfare Fund (Rm)	0,711	0,15	N/A	↑

Note: The majority of Construction Products businesses were excluded for the most part of the reporting period following their disposal in October 2013.

* per million hours worked

** Movement reflects either a reduction or enhancement of performance.

SOCIAL PERFORMANCE

SAFETY, HEALTH AND WELLNESS

Safety

Ensuring the safety of our people is both a moral obligation and a strategic business imperative, and as such is a primary consideration in all our business activities. In FY2014 our lost time injury frequency rate ("LTIFR") improved to a record-low of 0.80 (2013: 0.82). An increasing number of our businesses are delivering impressive safety results, notably Murray & Roberts Resources & Industrial which has recorded three lost time injury ("LTI") free years and Cementation USA with more than two LTI free years. In our underground mining operations, fall of ground ("FOG") incidents, which have been the leading cause of fatalities in these operations, have markedly reduced.

These achievements were unfortunately marred by the occurrence of four fatalities across the Group (2013: 2): two in Infrastructure & Building, one in Oil & Gas and one in Underground Mining. We have extended our condolences to the families of the deceased:

- Mr. Prida Chumpla (34), an employee of EPC5a Clough Curtain Joint-Venture project was struck and pressed against a structure by a pipe during pipe tie-in operations on 9 July 2013;
- Mr. Brian Sikate (31), an employee of Murray & Roberts Cementation, was struck by a kibble in a mine shaft on 13 December 2013;

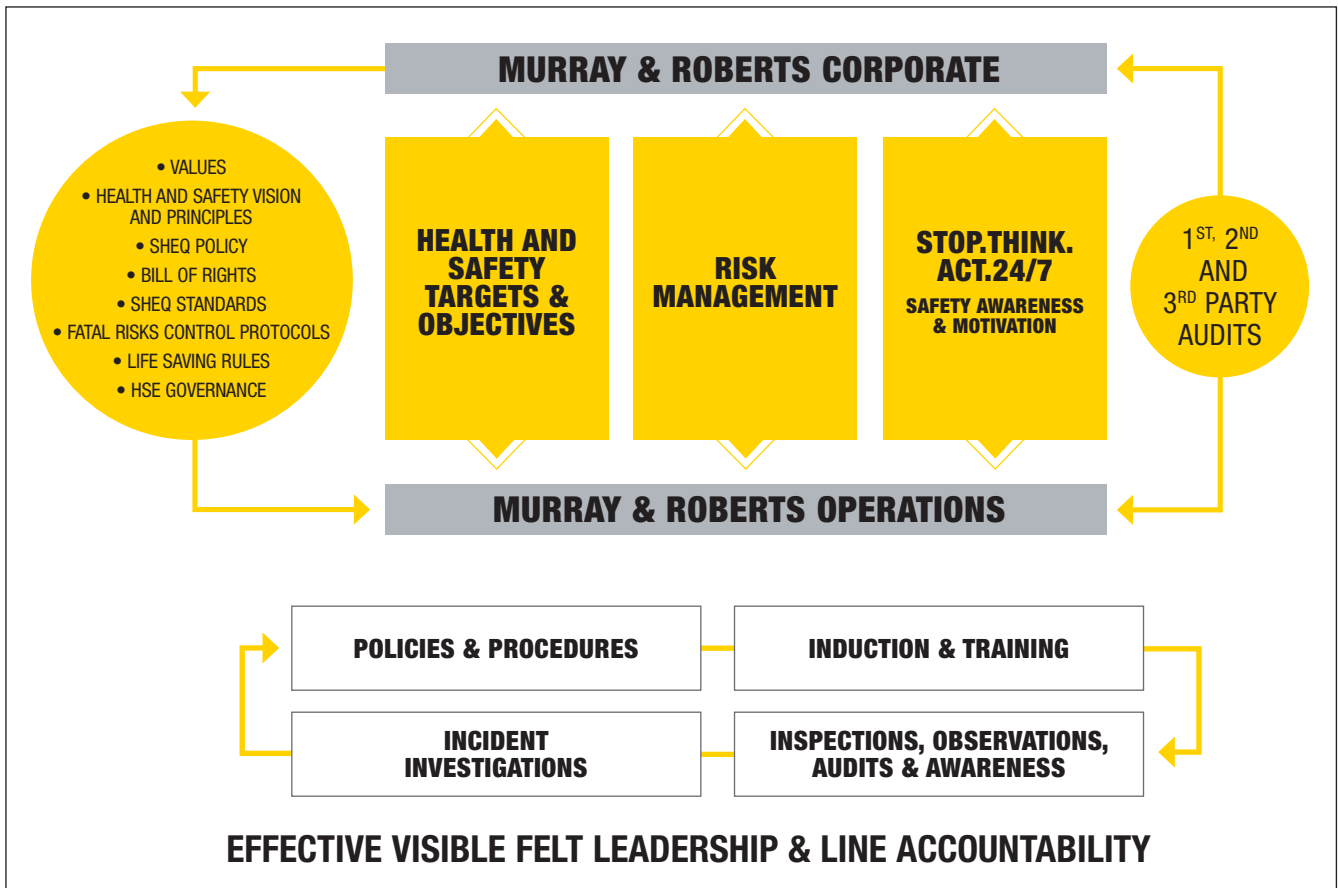
- Mr. Prince Khumalo (36), a subcontractor employee of Murray & Roberts Buildings was electrocuted while installing electrical trunking on a car park roof on 30 January 2014; and
- Mr. Zola Chita (28), an employee of Murray & Roberts Infrastructure was struck by a third party vehicle while on duty on the N1 Road Improvement Project on 19 February 2014.

Fatal workplace incidents are unacceptable given their far-reaching impacts on families, communities and the Group. The circumstances leading to these fatalities have been assessed, and corrective measures have been implemented to prevent the repeat of such incidents. We remain committed to our short-term priority of preventing all fatal and serious incidents at our operations.

Despite a reduction in the number of total recordable cases reported, our total recordable case rate ("TRCR"), which is a broader indicator of safety performance, deteriorated to 3.9 (2013: 3.4), mainly due to the reduction in exposure hours following the disposal of the Construction Products businesses.

We continued to entrench our Health and Safety Framework during the year, which provides guidance to our operations on delivering our health and safety commitment. Group-wide policies and standards set out the requirements and accountability for managing material health and safety risks within our operations. Each operating company has a health and safety improvement plan that prioritises

Health and Safety Framework



these risks and reports their progress regularly. During the year, the Group received a Gold Quill Award for excellence in safety communication for its monthly cartoon strip, Impilo Yethu.

We have completed the first phase of our *Zero Harm Through Effective Leadership* programme launched two years ago, which emphasises the role of leadership in bringing about sustainable improvements in health and safety while driving a high-performance culture. The programme was launched in response to an independent health and safety culture assessment at our operations.

Notable developments during the year included:

- Extending our Visible Felt Leadership (“VFL”) engagement training to supervisory staff following the successful rollout to senior and middle management;
- Rolling out the *Effective Safety Leadership* training programme which is gaining traction at operations;
- Implementing lead indicators to further enhance performance monitoring;
- Further entrenching the fatal risks control protocols at our operations, which form part of our broader risk management programme;
- Enhancement of our alcohol and drug screening programme;
- Revising our contractor management framework to improve contractor safety performance; and
- Extension of the OHSAS 18001 health and safety management system certification to cover 85% (2013: 69%) of our workforce.

The *Zero Harm Through Effective Leadership* programme remains our key initiative to develop a culture of safety in our operations. Over the next year we will focus on further entrenching the initiatives rolled out in the last several years, as we are confident that these programmes can take us to the next level of safety performance. Specific activities will include embedding the fatal risks control programme, lead indicators, leadership development, contractor safety management and Stop.Think.Act.24/7.



For more information on our safety management approach, safety performance and developments during the year, see our online integrated report.

Health and wellness

During the year we implemented the enhanced *Philisa Employee Health and Wellness* programme, at our South African operations, which integrates the various elements of occupational health and wellness management to proactively manage associated risks. Similar programmes are in place at our overseas operations. Encouragingly, we are seeing an increased level of awareness and interest in occupational health and wellness issues among our employees.

The Group has set mandatory standards to manage occupational health risks within our operations. Our most prevalent occupational health condition remains Noise Induced Hearing Loss (“NIHL”) which accounts for 68% of all reported conditions. During the year 23 (2013: 29) new NIHL cases were recorded. Other conditions include repetitive strain injuries, dermatitis and heat stroke. We have implemented regular occupational health risk assessments and are formulating occupational health risk exposure profiles for all employees which inform the risk-based medical surveillance programme. During FY2014 we initiated a focused *Fatigue Risk Assessment* programme which aims to understand the extent of fatigue risk in the Group and identify the necessary mitigating actions.

Our health and wellness programme continued to be the primary vehicle for managing the overall health and wellness of our employees. The programme focuses on prevention, early identification and intervention, clinical management and incapacity management relating to chronic and lifestyle diseases in the workplace.

In FY2012, an external service provider was engaged by the Group to assess the risk and impact of HIV and AIDS on the Company. Based on the results of this analysis, we enhanced our HIV/AIDS and TB interventions as part of the *Philisa Employee Health and Wellness* programme.

Notwithstanding efforts to increase employee participation in the voluntary counselling and testing programme, which included free HIV testing and wellness screening at the time of medical surveillance at our South African operations, our uptake of HIV tests remains disappointingly low. During the year 2 173 (2013: 2 140) employees volunteered for HIV testing. The HIV prevalence in our tested employee population in the year was 4% (2013: 15%).

The reason for the reduction in the number of tests conducted and subsequent HIV prevalence is mainly due to the disposal of some of our businesses that accounted for a large proportion of HIV tests in the last financial year. The industry HIV prevalence is estimated between 18% – 22%. The tested prevalence often depends on how comfortable HIV positive employees are to come forward and be tested. We remain committed in overcoming these challenges and improve performance going forward.

In FY2015 we will continue to prioritise the health and wellness of our employees by further improving our health and wellness programme, with specific focus, among others, on implementing more indicators to measure the effectiveness of the programme; improving communication on health and wellness issues to all employees; promoting personal responsibility and increasing the uptake of the programme, particularly HIV and wellness screening, through increased awareness building and communication to reduce stigma and suspicion.



For more information on our approach to health risk management, our occupational disease frequency rate and focus areas for the year ahead, see our online integrated report.

OUR EMPLOYEES

The capacity and capability of our employees is a cornerstone of Murray & Roberts’ sustainability. The Group aims to be an employer of choice in the engineering and construction sectors within which it operates, and its world-class delivery of services is a reflection of the capability of its diverse and experienced workforce. Our employee management approach is supported by policies, processes and frameworks which aim to create a culture which drives high performance while remaining compliant with all laws in the countries in which we operate. These policies, processes and frameworks also take cognisance of international standards for social justice and human and labour rights, and the Group will not tolerate any instances of unfair discrimination, inhumane treatment, forced labour, child labour or intimidation in the workplace.

Performance management in the Group aims to drive operating company, individual and team performance, while creating a purpose-driven culture, where there is alignment to the purpose, vision, values and strategic goals of the operating company. In particular, it is aligned

SOCIAL PERFORMANCE *continued*

to the five performance dimensions necessary to realise our vision, which have been incorporated into the performance contracts of Group leadership. Key performance indicators (“KPIs”) for each dimension are annually cascaded down throughout the Group by the Group chief executive, which creates strategic clarity and sets clear targets for expected performance and desired behaviour.

Formal evaluations are undertaken biannually to measure progress against and achievement of KPIs. The outcomes of these structured, evidence-based discussions feed into our remuneration practices to recognise and reward high performance, and inform our talent management process to strengthen succession planning by identifying scarce and critical roles.

Employee profile

At end FY2014 Murray & Roberts had approximately 21 217 employees (2013: 33 281), of which 15 881 or 75% are based in South Africa and 5 666 internationally. The sharp decline in number of employees is due to the sale of our Construction Products businesses and the restructuring of various operating companies. Employee turnover was higher during the year due to the restructuring process; however excluding these numbers, turnover remained well within industry norms at 7,8%, with only 3,3% of employees leaving due to resignation.

We continue to build our employee value proposition and strive to create an environment in which people want to stay and deliver superior performance. Our South African operations participated in the *Deloitte Best Company to Work For Survey*, where our overall score improved again this year, with 83% of our employees rating us as an employer of choice.

Developing our people

Training and development remains a key focus for the Group to ensure our employees are able to perform their duties effectively and safely, and to help them achieve their individual potential. Each operating company managing director, supported by human resources, is accountable for ensuring that appropriate training is in place for employees. During FY2014, a total of R260 million (2013: R156 million) was spent on training and development. This equates to 2,7% of payroll which is above the globally accepted benchmark of 2%.



AT MURRAY & ROBERTS WE RECOGNISE THAT PEOPLE BUILD GREAT ORGANISATIONS AND WE ARE CONSTANTLY STRENGTHENING OUR HUMAN CAPACITY TO MEET FUTURE CHALLENGES.

In South Africa approximately 13 744 employees received training at a cost of R66 million. Of this spend 67% was on black employees and 14% on women. This equates to 1,7% of our South African payroll, which is good given the current economic constraints.

Given the high demand for technical skills within the Group, technical training constitutes one of the largest aspects of our training and development interventions. Crucially, technical training also promotes operational excellence and working safely.

The Murray & Roberts Cementation Training Academy's *Trackless Mechanised Mining* (“TMM”) skills programme qualification was recently registered by the Mining Qualifications Authority. The programme provides technical education, training, development and learner support for TMM operators. In FY2014, 122 learners successfully completed the programme. A recent multi-million rand upgrade to the shaft sinking training facility at the academy enables it to provide training and development of the necessary skills for Murray & Roberts Cementation's new shaft sinking method.

Murray & Roberts Power & Energy continued to contribute to the skills base of the local communities surrounding the Eskom power programme projects. At the Medupi project, 572 apprentices have successfully completed their training; this translates into 82% progress in meeting our commitment to train 700 apprentices. At the Kusile project, 182 apprentices have been trained; which is 26% of our commitment to also train 700 apprentices on this project.

Our Leadership Development Framework, in addition to building strong individual leaders, articulates the collective leadership required to fulfil our purpose and vision, and live our values. We have defined a set of leadership practices which enables us to consistently measure the development of leadership across the Group. In addition to required leadership practices, our leaders need to be proficient in project management, a Group core competency. To this end, we have introduced a two-day *Project Management Introduction* programme. To date, 130 individuals have attended the programme and 91 are registered to attain professional project management certification.

Developing future talent

Our South African *Graduate Development* programme equips graduates with the people and management skills necessary to succeed in their careers. Technical training is done on-site by the relevant operating company. In January 2014, 39 new graduates joined the programme, of which 62% are black and 26% are women. We also offer bursaries for students studying towards qualifications in the fields of engineering, quantity surveying and building/construction management. The Group currently sponsors 56 bursars studying at various tertiary institutions in South Africa. Of these bursars, 68% are black and 34% are women.

The *Clough Graduate* programme is designed to provide a challenging, interesting and rewarding career start for Australian graduates. It is a three-year structured programme supporting the development of core competencies and capabilities through relevant experience and training. Professional and technical training complements practical hands-on experience to ensure all of Clough's graduates can achieve personal and professional success. Clough also offers a *Clough Summer Internship* for penultimate year students. The internship runs for 12 weeks during the university summer break and involves real work situations, providing hands-on experience.



THE CLOUGH ENGINEERING SUMMER INTERNSHIP RUNS FOR 12 WEEKS AND PROVIDES HANDS-ON REAL WORK EXPERIENCE.

Employee relations

With heightened industrial action in South Africa, Murray & Roberts recognised the need to implement a consistent approach to managing employee relations beyond the normal disciplinary and grievance procedures, which are available and are communicated to all employees. It is estimated that strike action cost the Group approximately R65 million in FY2014 (2013: R350 million). Even though this is an improvement on the previous year's cost, it remains a risk for the business.

The Group has developed an Employee Relations Framework ("ER Framework") that stipulates key goals and principles to empower operations to build meaningful relationships with their employees and stakeholders, to reduce the risk of labour disputes and to ensure optimal organisational performance in the interest of all stakeholders. The goals of the ER Framework are engaged people, capable leaders and being an equitable employer.

The ER Framework aims to drive effective two-way communication and the quick resolution of problems impacting employees and performance. The ER Framework was piloted at the Kusile power project, where 166 supervisors and foremen were trained on critical supervisory skills.



For more information on our people management approach and employee relations see our online integrated report.

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.

FY2014 was a challenging year to drive our transformation agenda in South Africa, given the reduction in headcount. We have however succeeded in increasing black representation at top management level from 5,7% to 14,8%. Of our South African workforce, 75% of employees are black (2013: 76%) and 10% are women (2013: 12%). Of employees at management level, 60% (2013: 64%) are black and 12% (2013: 9%) are women.

An Employment Equity Framework with stretch targets has been adopted and will be rolled out in FY2015.

Our operations outside South Africa continue to strive to meet gender and minority targets to create a workforce profile that reflects the demographics and talent of the communities in which they work.



For more information on our employment equity, see our online integrated report.

EE LEVEL	Male				Female				Total excl foreign	Foreign		Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White		Male	Female	
Top management	2	0	2	17	0	0	0	0	21	6	0	27
Senior management	6	2	8	110	1	1	1	8	137	10	0	147
Middle management	101	73	34	568	18	6	13	70	883	32	2	917
Junior management	2 288	232	64	977	241	34	22	205	4 063	51	11	4 125
Semi-skilled	5 122	54	11	81	539	23	2	79	5 911	1 631	0	7 542
Unskilled	1 920	33	5	13	318	9	1	5	2 304	90	4	2 398
Total permanent	9 439	394	124	1 766	1 117	73	39	367	13 319	1 820	17	15 156
Temporary employees	522	46	56	53	30	1	1	10	719	6	0	725
Grand total	9 961	440	180	1 819	1 147	74	40	377	14 038	1 826	17	15 881
Disabled	12	2	1	14	4	1	2	3	39	0	0	39

SOCIAL PERFORMANCE *continued*



STEPHINA VAN ROOYEN, A BENEFICIARY OF MURRAY & ROBERTS' ENTERPRISE DEVELOPMENT PROGRAMME. STEPHINA HAS ACCESS TO PROFESSIONAL ADVISORY SKILLS AND MENTORING THAT HAVE HELPED HER BUILD A SUSTAINABLE BUSINESS.



LEEU TRANSPORT, APART FROM WORK AND CONTRACTS, BENEFICIARIES OF THE ENTERPRISE DEVELOPMENT PROGRAMME HAVE ACCESS TO A FULL SPECTRUM OF SUPPORT RANGING FROM INTEREST-FREE LOANS TO BUSINESS MANAGEMENT SKILLS.



MURRAY & ROBERTS PROVIDES SUPPORT TO TRAC LABS, A PROGRAMME THAT MAKES SPECIALISED SCIENCE LABORATORY EQUIPMENT, SYLLABUS RELEVANT CONTENT AND VOCATIONAL GUIDANCE AVAILABLE TO LEARNERS FROM PREVIOUSLY DISADVANTAGED COMMUNITIES.

Broad-based Black Economic Empowerment

Murray & Roberts is committed to BBBEE in our South African businesses and has adopted a holistic BBBEE strategy to drive transformation in the Group.

The Group improved its consolidated BBBEE rating from Level 3 to Level 2 measured against the Construction Sector Charter, which was independently verified by an accredited BBBEE verification agency. Individual operating company BBBEE ratings range from Level 2 to Level 6. The economic interests held by black employees in the Group's share ownership is 45,5%, with black women holding a 14,4% economic interest. Despite more stringent targets under the Construction Sector Charter, there were pleasing improvements in management control, skills development and enterprise development. Of significant concern, is the drop in the employment equity score due to the increase in targets.

The revised BBBEE Codes of Good Practice ("BBBEE Codes") and the consequential alignment of the Construction Sector Charter will result in a significant drop in the Group's and its competitor's BBBEE ratings. All operating companies have undertaken an analysis to understand the impact of the new BBBEE Codes and are developing plans to limit the impact and to improve their ratings. The key areas for improvement are management control, employment equity and skills development.



For more information on our BBBEE performance, see our online integrated report.

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 R3,0 billion. R1,8 billion has contributed to the expansion of our productive base.

Preferential procurement as a percentage of total procurement spend increased to 79% (2013: 73%) of the South African operations' procurement expenditure of approximately R8,5 billion. This is well above the Construction Sector Charter target of 70%. We also increased our percentage procurement from small and micro enterprises and suppliers that are more than 50% black owned. Procurement from black women-owned suppliers improved significantly to 8,4% (2013: 6,0%), which for the first time exceeded the 8% target outlined in the Construction Sector Charter.

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 and suppliers. The total value of enterprise development initiatives across the Group was R71,8 million in FY2014, representing 0,6% of affected turnover.



For more information on our local economic development initiatives, see our online integrated report.

COMMUNITY DEVELOPMENT

Murray & Roberts approaches community development as a business imperative rooted in the needs of our local communities and national development priorities. We currently have four programmes as part of our South African community development strategy, which are aligned to our overall business strategy and focus on education and community skills development as a means to unlock communities' potential for sustainable development.

In FY2014, our South African spend on community development was R24,9 million, R14 million of which was spent on our *Corporate Social Investment* programme.

A notable development in the year was Eskom's launch of the *Medupi Leadership Initiative*. Murray & Roberts undertook leadership and financial responsibility for two programmes within the *Medupi Leadership Initiative*: the *Life Skills Training* project and the *Drylands Employment Opportunity* project. The collective expenditure on these two programmes was R4,4 million during the year. By the end of FY2014, some 10 000 employees and community members had participated in the *Life Skills Training* programme.

Our international operations undertake various community development initiatives, with Cementation Canada and its employees sponsoring over 125 charitable and community organisations in FY2014, donating over C\$150 000. Organisations supported include Prostate Cancer Canada, Canadian Mental Health Association and Crisis Centre North Bay.

Clough supports a range of local community groups in line with their six-pillar *Corporate Social Responsibility* strategy. In FY2014 Clough invested over A\$300 000 across a range of initiatives, which align with their six pillars of children and youth, education, art, healthy communities, empowering women and indigenous people. Clough strengthened its commitment to support the next generation of talented professionals through investment in partnerships with leading universities. The *Clough Scholars* initiative, a 45-year partnership with the University of Western Australia, honours the academic achievements of Western Australia's brightest young engineering students studying in the two-year Engineering Masters programme, where four scholarships are awarded per annum. In March 2014, Clough established the Clough Foundation, a not-for-profit, charitable trust established as a Public Ancillary Fund. The Clough Foundation has supported the *Year 9 School Mental Health Awareness Programme* in five high schools in Western Australia and the delivery of the *Chance to Dance Education and Access Programme* in three schools in low socio-economic area communities.



For more information on our community development, see our online integrated report.



THE TOMORROW TRUST HOLIDAY AND SATURDAY SCHOOL PROGRAMME PROVIDES ADDITIONAL ACADEMIC SUPPORT TO VULNERABLE CHILDREN.

ENVIRONMENTAL PERFORMANCE

We remain committed to minimising our environmental footprint in all our operations and activities. In FY2014 we continued to make steady progress in improving the monitoring and management of our environmental impact, as part of our broader *Environmental Risk Management* programme.

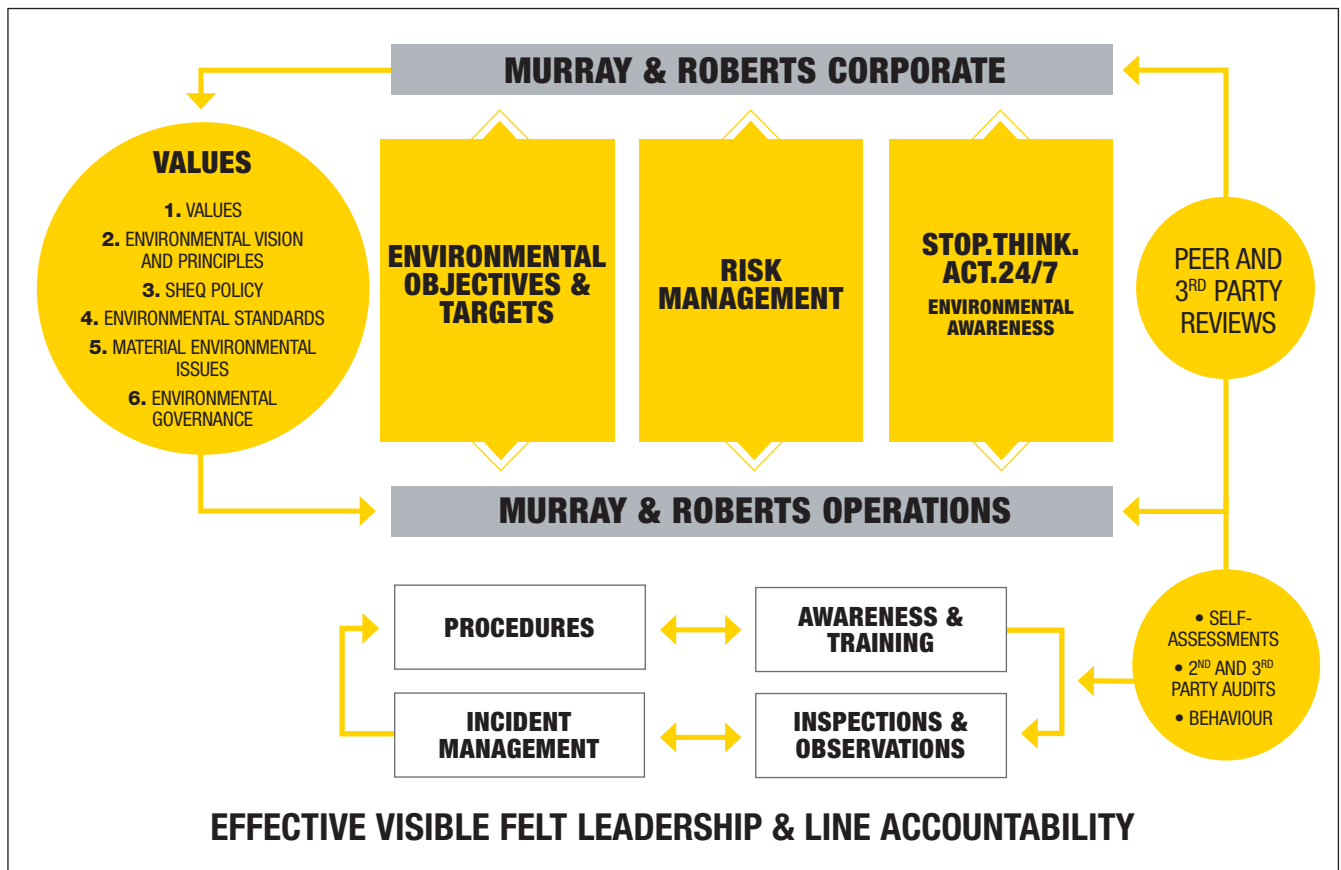
Murray & Roberts requires that operating companies adopt high environmental standards, whether they are imposed by client environmental management plans, local and national legislation, or the Group itself. Our operations are required to implement and comply with ISO 14001, a standard that addresses environmental management systems. Currently, 78% (2013: 58%) of the Group's operations are ISO 14001 certified, based on the number of employees covered by ISO 14001 certification.

 For more information on our performance against our FY2014 environmental targets, see our online integrated report.

ENVIRONMENTAL MANAGEMENT FRAMEWORK

During the year we developed a Group Environmental Management Framework which outlines environmental requirements and lines of accountability at both corporate and operational level. This framework, which is aligned to our Health and Safety Framework, communicates our approach to environmental management and seeks to create a mindset of environmental responsibility.

Environmental Management Framework



We have identified energy and carbon, waste and water as the most important environmental issues for the Group. The Environmental Management Framework will enable us to consistently monitor and manage these priorities across the Group's operations, and we are currently implementing various programmes in this regard.

2014 PERFORMANCE

Our environmental performance for FY2014 with respect to our energy usage, carbon emissions, water usage and ISO 14001 implementation is shown below.

PERFORMANCE DIMENSION	2014	2013	2012	2011	Movement
Environmental performance					
Energy usage (MWh)	703 461	1 081 104**	1 575 287	1 095 843	↓
Carbon footprint (t CO ₂ e)	251 755	411 282**	527 554	515 506	↓
Water usage* (KL)	549 458	1 159 597			↓
ISO 14001 Management System implementation (% coverage)	78	58	44	± 35	↑

Note: The majority of Construction Products businesses were excluded for the most part of the reporting period following their disposal in October 2013.

* This includes surface, ground and municipal sources of water.

** Our energy usage and carbon footprint numbers for FY2013 have been restated. Clough had originally reported on fuel usage that was being purchased by a joint-venture partner and not by Clough.

Energy usage

During FY2014, the Group consumed approximately 703 461 megawatt hours (MWh) of energy from a variety of sources, with bituminous coal and diesel accounting for 85% of the Group's energy sources.

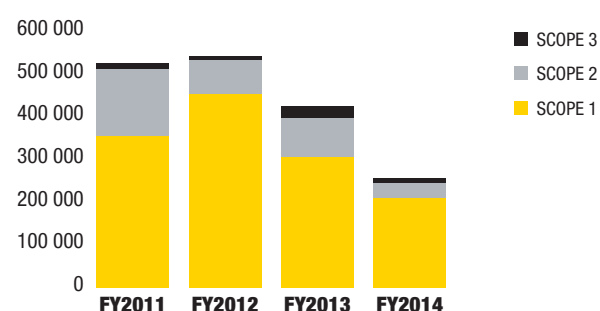


For a detailed breakdown of energy sources utilised across the Group, see our online integrated report.

Carbon footprint

Between FY2013 and FY2014 our absolute carbon emissions (scope 1 and 2) decreased by 38%. The main contributor to this reduction was the disposal of our Construction Products businesses early in FY2014. These businesses were energy-intensive, contributing 72% to our absolute carbon emissions during FY2013 and 47% in FY2014.

TOTAL GREENHOUSE GAS EMISSIONS (T CO₂E) FOR FY2011 – FY2014



Our Carbon Disclosure Project submission for FY2014 details our carbon performance to date, available at www.cdproject.net.



For more information on how we measure our carbon footprint, carbon reduction initiatives and carbon emissions contribution by source, see our online integrated report.



Detail on the proposed carbon tax for South Africa and the estimated impact on the Group can be found in our online integrated report.

Water usage

Murray & Roberts operates in several water constrained environments, including South Africa, Western Australia and the United Arab Emirates. We are continuously driving awareness of responsible water use at all operations and will develop and implement a Group Water Management standard in FY2015. This standard will assist in improving the accuracy and completeness of our water data, and guide operations in identifying and implementing water saving initiatives.

Waste management

Waste is measured and monitored at an operational level and reporting on waste (including hazardous, non-hazardous and recycled waste) continued during the reporting period. Non-hazardous waste is recycled or re-used where possible. During the year we developed a Group Waste Management standard which is being implemented at operations.



For more information on volumes of waste generated and recycled, see our online integrated report.

ENVIRONMENTAL RISK AND COMPLIANCE

During FY2014 we commenced reporting against our Environmental Risks and Incidents standard. This has enabled us to identify potential environmental risks which are closely monitored at operations and Group level. There were no instances of fines related to environmental incidents or environmental litigation during the reporting period.

Environmental reduction targets

During FY2013 and FY2014 we undertook a benchmarking exercise to understand the target landscape and investigated the use of production-related indicators and targets. This exercise was performed at three sites within our Infrastructure & Building platform where energy, water and waste improvement opportunities were identified. These opportunities, the respective capital costs, estimated savings and payback periods were considered and a selection of these are being implemented.



Our environmental objectives and targets for FY2015 can be found in the environmental performance section of our online integrated report.

ETHICAL PERFORMANCE

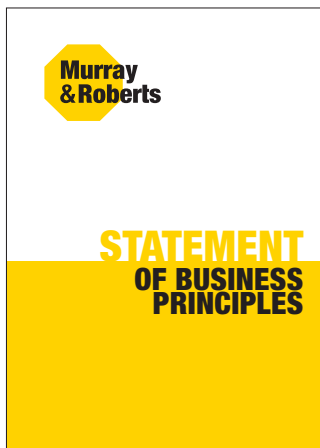
The Group promotes a culture of ethical values, standards and practices in all areas and aspects of its business operations. The Group conducts its business in conformity with all laws, rules, codes and standards, as well as the highest standards of business integrity, ethics and corporate governance. Deviations from these principles are not condoned nor tolerated in any circumstances.

An Anti-Bribery and Corruption standard was approved and implemented during the year.

As part of the implementation of a *Competition Law Compliance* programme (a copy of which was submitted to the Competition Commission following the Fast-Track Settlement Process reported on in FY2013), written declarations are issued by all relevant executives biannually and as part of the completion of each project tender.

STATEMENT OF BUSINESS PRINCIPLES

The third amendment to our Statement of Business Principles was approved during the year. The Group also approved and implemented a Regulatory Compliance standard, and appointed a regulatory compliance manager to oversee this function. Monitoring procedures for compliance were intensified during the year, and audit reviews were conducted across the Group, with no major findings of non-compliance reported.

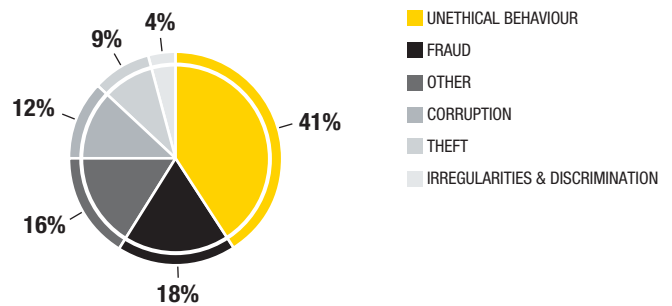


TIP-OFFS ANONYMOUS

The “Tip-Offs Anonymous” hotline service, administered by Deloitte, enables anonymous reporting of workplace dishonesty and unethical behaviour, including discrimination, theft, fraud and corruption. The hotline is currently being extended to every region in which the Group conducts business.

During the year under review, 44 cases were reported and investigated, some of which remain under investigation. Appropriate action was taken in every instance where unethical behaviour was uncovered.

For more information on how the Group manages ethics, as well as its approach to human rights, unfair discrimination and equality, see our online integrated report.



ECONOMIC PERFORMANCE

PERFORMANCE DIMENSION	Performance		Movement
	2014	2013 Restated	
ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS			
Financial performance			
Revenue	36 039	34 209	↑
Operating costs	34 506	32 560	↑
Cash and cash equivalents	4 301	6 284	↓
Operating cash inflow (before dividends)	931	1 651	↓
Order book relative to order book revenues	1,2 times	1,3 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 value created and how it was distributed to stakeholders.

Value added to employees through payroll payments increased by 8%, while net interest expense to providers of finance decreased by 51%. Company tax to governments decreased by 29% due to a lower profit before tax recorded in the current financial year. As a consequence of the Group profits, value added to maintain and expand the Group increased due to an increase in profit attributable to owners of Murray & Roberts Holdings Limited.

The Group did not receive any significant financial assistance from the South African 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.

The quantifiable benefits of our contribution to society are not easily identified, but considering the positive impact of an adequate built environment on socio-economic 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.

PERFORMANCE DIMENSION	Performance		Movement
	2014	2013 Restated	
ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS			
Economic contribution			
Value added to employees	14 940	13 836	↑
Value added to providers of finance (net)	57	116	↓
Value added to Government	422	598	↓
Value added to maintain and expand the Group	1 969	1 733	↑
Total value added	17 389	16 283	↑

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; and
- The project order book relative to order book revenues.

The Group's year-end cash and cash equivalents position was R4,3 billion (2013: R6,3 billion) after an operating cash inflow of R931 million (2013: R1 651 million cash inflow). The primary contributors to the decrease in cash position are working capital outflows in Clough due to repayment of advances and in Middle East due to contracts completed and payments made to subcontractors, as well as the Clough Transaction on 11 December 2013.

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 2014, opportunities in the active pipeline amounted to R65 billion (2013: R53 billion).

The Group's order book decreased by 11% to R41 billion. The order book for Australian based entities makes up 43% of the total Group order book. The overall 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 order book revenues
30 June 2012	R45 billion	1,4 times 2012 revenues
30 June 2013	R46 billion	1,3 times 2013 revenues
30 June 2014	R41 billion	1,2 times 2014 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 2014

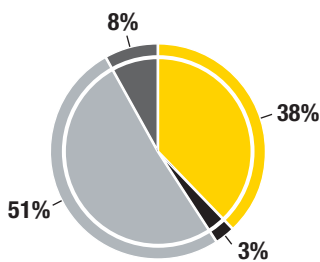
ALL MONETARY AMOUNTS EXPRESSED IN MILLIONS OF RANDS	2014	%	2013 ¹	%
Revenue	36 039,0		34 209,1	
Less: Cost of materials, services and subcontractors	(18 650,5)		(17 925,7)	
Value created	17 388,5		16 283,4	
<i>Distributed as follows:</i>				
To employees				
Payroll costs	14 940,3	85,9	13 836,4	85,0
To providers of finance				
Net interest on loans	57,3	0,3	116,3	0,7
To Government				
Company taxation	422,0	2,4	598,0	3,7
To maintain and expand the Group				
Reserves available to ordinary shareholders	1 261,1		1 004,3	
Depreciation	685,0		703,8	
Amortisation	22,8		24,6	
	1 968,9	11,4	1 732,7	10,6
	17 388,5	100,0	16 283,4	100,0
Number of people²	25 498		33 281	
State and local taxes charged to the Group or collected on behalf of governments by the Group				
Company taxation	422,0		598,0	
Indirect taxation	1 705,8		1 046,2	
Employees' tax	1 249,6		1 328,8	
Rates and taxes	4,1		7,1	
Government grants	(21,4)		(21,1)	
Customs and excise duty	1,3		0,7	
	3 361,4		2 959,7	

¹ Restated for discontinued operations.

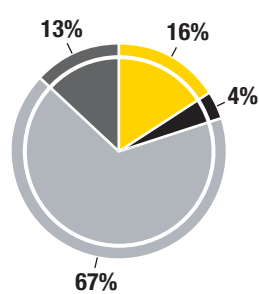
² People includes direct joint arrangement hires and third party contractors of 4 281.

GEOGRAPHIC

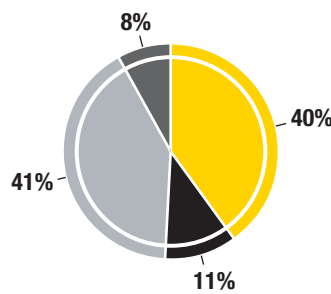
REVENUE



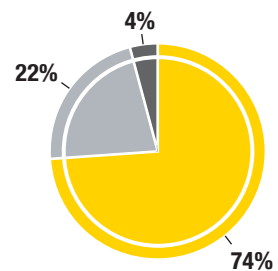
PBIT*



TOTAL ASSETS



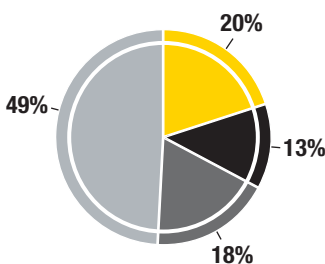
NUMBER OF EMPLOYEES



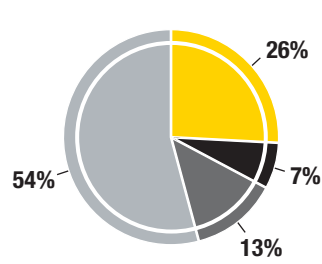
■ SOUTHERN AFRICA ■ MIDDLE EAST ■ AUSTRALASIA & SOUTHEAST ASIA ■ NORTH AMERICA & OTHER

SEGMENTAL

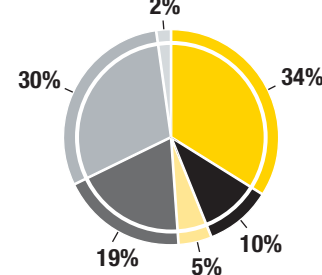
REVENUE



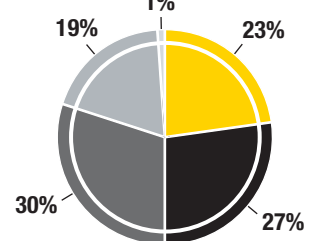
PBIT*



TOTAL ASSETS



NUMBER OF EMPLOYEES

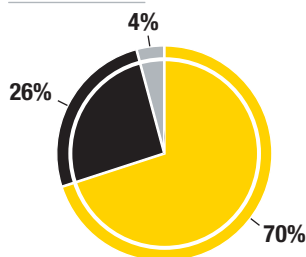


■ INFRASTRUCTURE & BUILDING ■ ENERGY & INDUSTRIAL ■ CONSTRUCTION PRODUCTS AFRICA ■ UNDERGROUND MINING ■ OIL & GAS ■ CORPORATE AND PROPERTIES

* PBIT excludes corporate costs of R186 million.

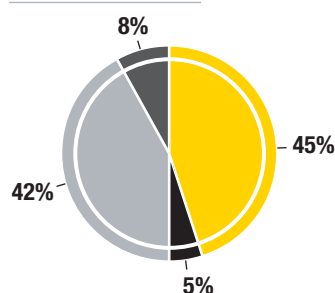
ORDER BOOK

TIME DISTRIBUTION



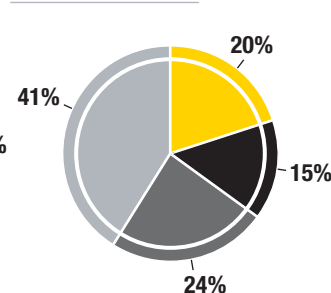
2015
2016
Thereafter

GEOGRAPHIC DISTRIBUTION



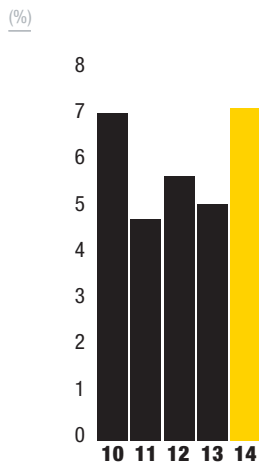
Southern Africa
Middle East
Australasia & Southeast Asia
North America & Other

SEGMENTAL DISTRIBUTION

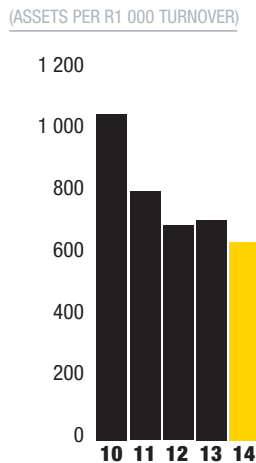


Infrastructure & Building
Energy & Industrial
Underground Mining
Oil & Gas

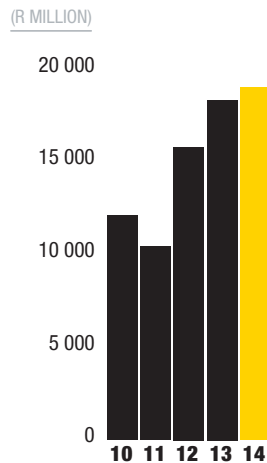
RETURN ON AVERAGE TOTAL ASSETS



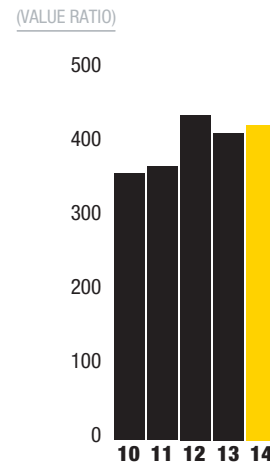
PRODUCTIVITY OF ASSETS



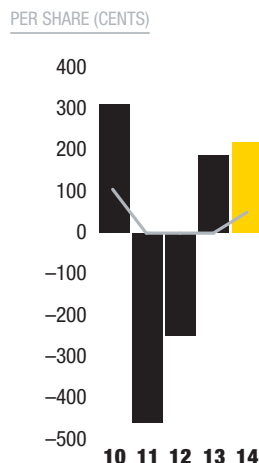
CREATION OF VALUE



PEOPLE PRODUCTIVITY

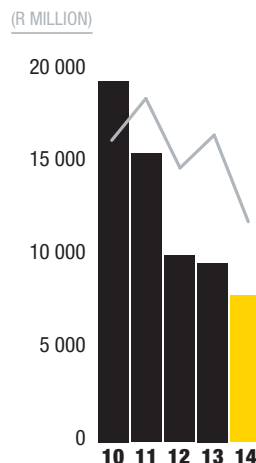


DILUTED HEPS AND DIVIDENDS



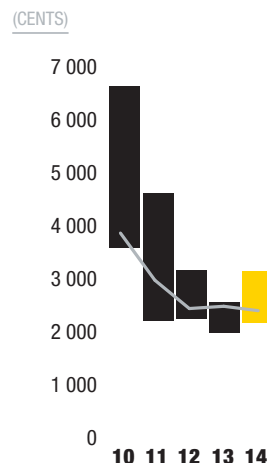
Diluted Heps
Dividends

SHARES TRADED



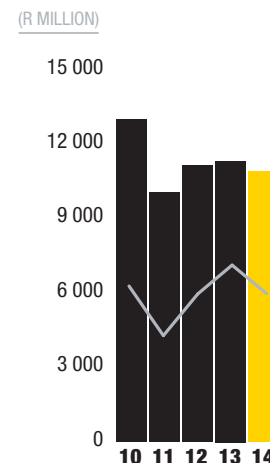
Value of Shares Traded
Volume of Shares Traded

SHARE PRICE MOVEMENT



High - Low
Closing

MARKET CAPITALISATION



Market Capitalisation
Ordinary Shareholders' Funds

TEN-YEAR FINANCIAL REVIEW

30 JUNE 2014

ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Restated ¹									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
SUMMARISED STATEMENTS OF FINANCIAL PERFORMANCE										
Revenue	36 039	34 209	31 333	26 223	21 965	24 295	17 851	12 211	7 395	6 616
Profit/(loss) before interest and taxation	1 533	1 649	(407)	(956)	891	1 603	950	478	175	118
Net interest (expense)/income	(58)	(117)	(250)	(200)	(152)	112	93	40	29	15
Profit/(loss) before taxation	1 475	1 532	(657)	(1 156)	739	1 715	1 043	518	204	133
Taxation expense	(499)	(529)	(202)	(123)	(202)	(437)	(305)	(158)	(74)	(32)
Profit/(loss) after taxation	976	1 003	(859)	(1 279)	537	1 278	738	360	130	101
Income/(loss) from equity accounted investments	1	165	143	86	15	2	9	(107)	1	78
Profit/(loss) from discontinued operations Non-controlling interests	423 (139)	302 (466)	124 (144)	(455) (87)	677 (131)	1 058 (320)	1 316 (349)	543 (94)	430 (49)	314 (30)
Profit/(loss) attributable to owners of Murray & Roberts Holdings Limited	1 261	1 004	(736)	(1 735)	1 098	2 018	1 714	702	512	463
SUMMARISED STATEMENTS OF FINANCIAL POSITION										
Non-current assets	6 410	6 017	7 323	4 658	5 247	5 490	4 872	3 983	3 416	2 566
Current assets	12 488	17 365	14 042	13 976	14 937	17 190	16 006	8 780	6 755	5 442
Goodwill	486	488	437	435	554	490	488	206	147	48
Deferred taxation assets	427	657	634	470	343	305	208	16	52	34
Total assets	19 811	24 527	22 436	19 539	21 081	23 475	21 574	12 985	10 370	8 090
Equity attributable to owners of Murray & Roberts Holdings Limited	5 905	7 041	5 887	4 221	6 203	5 581	4 865	3 637	3 086	3 067
Non-controlling interests	27	1 657	1 215	1 100	974	1 053	960	178	108	97
Total equity	5 932	8 698	7 102	5 321	7 177	6 634	5 825	3 815	3 194	3 164
Non-current liabilities	1 908	1 958	1 596	1 873	2 367	1 447	1 290	1 102	1 028	890
Current liabilities	11 971	13 871	13 738	12 345	11 537	15 394	14 459	8 068	6 148	4 036
Total equity and liabilities	19 811	24 527	22 436	19 539	21 081	23 475	21 574	12 985	10 370	8 090

¹ Comparatives have been restated for discontinued operations and the adoption of IFRS 11: Joint Arrangements. The results of affected joint ventures are now equity accounted rather than proportionately consolidated, and the net asset value included under investment in joint ventures.

RATIOS AND STATISTICS

30 JUNE 2014

ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Restated ¹									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
ATTRIBUTABLE PROFITS										
Profit/(loss) per share (cents)										
– Basic	310	247	(214)	(530)	336	618	521	216	152	131
– Diluted	305	245	(214)	(528)	335	612	510	212	149	129
Headline earnings/(loss) per share (cents)										
– Basic	221	188	(246)	(456)	308	616	507	297	149	134
– Diluted	217	186	(246)	(454)	307	609	496	293	146	132
Dividends per share (cents)	50	–	–	–	105	218	196	116	60	45
Dividend cover	4,3	–	–	–	2,9	2,8	2,5	2,5	2,4	2,9
Interest cover ²	7,1	4,7	3,2	2,4	3,9	4,1	3,4	3,7	2,0	1,9
PROFITABILITY										
PBIT on revenue (%) ²	4,3	3,4	3,7	3,6	6,9	6,6	5,3	3,9	2,4	1,8
PBIT on average total assets (%) ²	6,9	4,9	5,5	4,6	6,8	7,1	5,5	4,1	1,9	1,6
Attributable profit on average ordinary shareholders' funds (%)	19,5	15,5	17,1	5,7	29,1	38,6	40,3	20,9	16,7	16,0
PRODUCTIVITY										
Per R1 000 of revenue:										
Payroll cost (Rand)	409	399	422	355	347	350	392	327	375	359
Total average assets (Rand)	615	686	670	774	1 014	927	968	956	1 248	1 075
Value created (Rm) ³	18 322	17 660	15 237	10 069	11 651	13 689	10 984	6 063	4 124	3 596
Value ratio ³	1,20	1,20	1,05	1,00	1,33	1,39	1,40	1,31	1,30	1,33
FINANCE										
As a percentage of total equity										
Total interest bearing debt	42	23	31	44	45	54	34	36	40	32
Total liabilities	234	182	216	267	194	254	270	240	225	156
Current assets to current liabilities	1,04	1,25	1,02	1,13	1,29	1,12	1,11	1,09	1,10	1,35
Operating cash flow (Rm)	932	1 653	(2 318)	462	943	1 732	3 124	1 918	584	669
Operating cash flow per share (cents)	210	372	(521)	139	284	522	941	578	176	202
OTHER										
Weighted average ordinary shares in issue (millions)	444,7	444,7	382,7	367,8	367,8	367,8	367,8	367,8	367,8	367,8
Weighted average number of treasury shares (millions)	38,3	37,9	39,2	40,3	41,3	42,1	38,7	42,0	30,0	15,2
People – 30 June ³	25 498	33 281	44 710	42 422	40 413	38 981	45 654	33 466	23 867	23 904

DEFINITIONS

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

¹ Comparatives have been restated for discontinued operations.

² The above calculations are based on normalised profit before interest and taxation of R1,5 billion (2013: R1,2 billion; 2012: R1,2 billion; 2011: R1,0 billion).

³ Includes continuing and discontinued operations.

SEGMENTAL ANALYSIS

30 JUNE 2014

ALL MONETARY AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Group		Discontinued operations excluded from ongoing operations ¹	
	2014	2013	2014	2013
SUMMARISED STATEMENT OF FINANCIAL PERFORMANCE³				
Revenue	36 039	34 209	2 025	5 004
Profit/(loss) before interest and taxation	1 533	1 649	580	410
Net interest (expense)/income	(58)	(117)	7	(7)
Profit/(loss) before taxation	1 475	1 532	587	403
Taxation (expense)/credit	(499)	(529)	(165)	(101)
Profit/(loss) after taxation	976	1 003	422	302
Income/(loss) from equity accounted investments	1	165	1	–
Profit from discontinued operations	423	302	–	–
Non-controlling interests	(139)	(466)	(5)	(17)
Profit/(loss) attributable to holders of Murray & Roberts Holdings Limited	1 261	1 004	418	285
SUMMARISED STATEMENT OF FINANCIAL POSITION³				
Non-current assets	6 837	6 674	133	107
Current assets ⁴	12 488	17 365	769	1 999
Goodwill	486	488	–	–
Total assets	19 811	24 527	902	2 106
Ordinary shareholders' equity	5 905	7 041	555	1 300
Non-controlling interests	27	1 657	5	16
Total equity	5 932	8 698	560	1 316
Non-current liabilities	1 908	1 958	79	–
Current liabilities ⁴	11 971	13 871	263	790
Total equity and liabilities	19 811	24 527	902	2 106
SUMMARISED STATEMENT OF CASH FLOWS³				
Cash generated from/(utilised by) operations before working capital changes	2 419	2 051	117	519
Change in working capital	(643)	(6)	(11)	(240)
Cash generated from/(utilised by) operations	1 776	2 045	106	279
Interest and taxation	(845)	(394)	(12)	(54)
Operating cash flow	931	1 651	94	225

¹ Includes the Construction Products Africa operating platform, Group's properties divisions, interest in Steel reinforcing bar manufacture and trading operations and Tolcon excluding investments in the Bombela Concession, Bombela Operating Companies and Entlini Concession and its operating companies.

² Restated for discontinued operations.

³ Restated for adoption of IFRS 11: Joint Arrangements. The results of affected joint ventures are now equity accounted rather than proportionately consolidated, and the net asset value included under investment in joint ventures.

⁴ Includes assets/liabilities classified as held-for-sale.

Infrastructure & Building ²		Energy & Industrial		Underground Mining		Oil & Gas		Corporate and Properties	
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
7 176	6 468	4 755	5 036	6 628	7 904	17 480	14 800	-	1
196	(85)	144	137	258	318	1 026	1 502	(91)	(223)
6	(46)	31	10	(6)	(23)	155	72	(244)	(130)
202	(131)	175	147	252	295	1 181	1 574	(335)	(353)
(48)	257	(20)	(44)	(123)	(113)	(376)	(523)	68	(106)
154	126	155	103	129	182	805	1 051	(267)	(459)
1	6	-	-	-	-	-	159	-	-
-	-	-	-	-	-	-	-	-	-
4	4	(6)	(10)	3	9	(135)	(452)	-	-
159	136	149	93	132	191	670	758	(267)	(459)
3 547	3 473	474	542	1 596	1 385	723	174	364	993
3 129	3 452	1 377	1 445	2 145	2 353	4 971	8 030	97	86
44	52	52	52	38	38	352	346	-	-
6 720	6 977	1 903	2 039	3 779	3 776	6 046	8 550	461	1 079
2 164	1 709	388	209	1 947	1 534	2 398	2 441	(1 547)	(152)
9	7	24	24	(11)	-	-	1 610	-	-
2 173	1 716	412	233	1 936	1 534	2 398	4 051	(1 547)	(152)
1 057	1 175	75	119	461	466	160	123	76	75
3 490	4 086	1 416	1 687	1 382	1 776	3 488	4 376	1 932	1 156
6 720	6 977	1 903	2 039	3 779	3 776	6 046	8 550	461	1 079
379	(235)	252	319	640	778	1 252	932	(221)	(262)
(251)	(534)	(108)	(68)	124	76	(360)	830	(37)	(70)
128	(769)	144	251	764	854	892	1 762	(258)	(332)
22	27	(86)	14	(147)	(116)	(516)	(44)	(106)	(221)
150	(742)	58	265	617	738	376	1 718	(364)	(553)

ASSURANCE REPORT

Limited assurance report of the independent auditor, Deloitte & Touche to Murray & Roberts Holdings Limited on their sustainability performance indicator and self-declared Global Reporting Initiative G3.1 application level disclosures as contained in the Integrated Report for the year ended 30 June 2014 ("the Report")

SCOPE OF OUR WORK

Murray & Roberts Holdings Limited ("Murray & Roberts") have engaged Deloitte & Touche ("Deloitte") to perform limited assurance procedures on the self-declared Global Reporting Initiative G3.1 Guidelines ("GRI G3.1") B+ Application Level applied in the preparation of the report and the following sustainability performance indicators, being the subject matter for the financial year ended 30 June 2014:

- Corporate social investment in community programs (Rm)
- Letsema broad-based community commitments (Rm)
- Statement of total value added (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* programme who are black and female
- *Leadership Development* programme attendance and percentage of participants who are black and female
- Percentage of South African employees covered by collective bargaining agreements
- South African skills development spend
- Composition of governance bodies
- Number of fatalities
- Lost-time injury frequency rate
- Total recordable case rate
- Percentage of employees covered by ISO 9001
- Percentage of employees covered by ISO 14001
- Percentage of employees covered by OHSAS 18001
- Number of bursaries awarded by the Letsema Employee Benefits Trust
- Cumulative wealth created through Letsema BBBEE share ownership transaction (Rm)
- Percentage of South African based employees designated as management
- Percentage of verified preferential procurement spend (Rm)

ASSURANCE PROCESS AND STANDARD

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"). To achieve limited assurance, ISAE 3000 requires that we review the processes and systems used to compile information in the areas on which we provide assurance. This standard requires us to comply with the ethical requirements and to plan and perform our assurance engagement to obtain sufficient appropriate evidence on which to base our limited assurance opinion.

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 audit evidence on which we base our conclusion. Our work was planned to mirror Murray & Roberts' 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 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 Global Reporting Initiative G3.1 Guidelines is not fairly stated.

RESPONSIBILITIES OF DIRECTORS AND INDEPENDENT ASSURANCE PROVIDER

The directors are responsible for the preparation of the integrated report 2014, including the implementation and execution of systems to collect required sustainability data.

Our responsibility is to express our limited assurance conclusion on the sustainability performance data for the year ended 30 June 2014.

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 & TOUCHE
Registered Auditor

PER – AN LE RICHE
Partner

12 September 2014

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



TOMORROW TRUST HOLIDAY AND SATURDAY SCHOOL PROGRAMME