

An abstract architectural graphic on the left side of the slide. It features a large, semi-circular structure composed of concentric rings and radial lines, resembling a cross-section of a tunnel or a complex mechanical part. The graphic is rendered in various shades of yellow and grey, with some lines appearing as if they are part of a technical drawing or blueprint. The overall style is modern and technical.

# **REPORT TO STAKEHOLDERS**

**SIX MONTHS TO  
31 DECEMBER 2016**

This presentation is available on [www.murrob.com](http://www.murrob.com)

**23 February 2017**




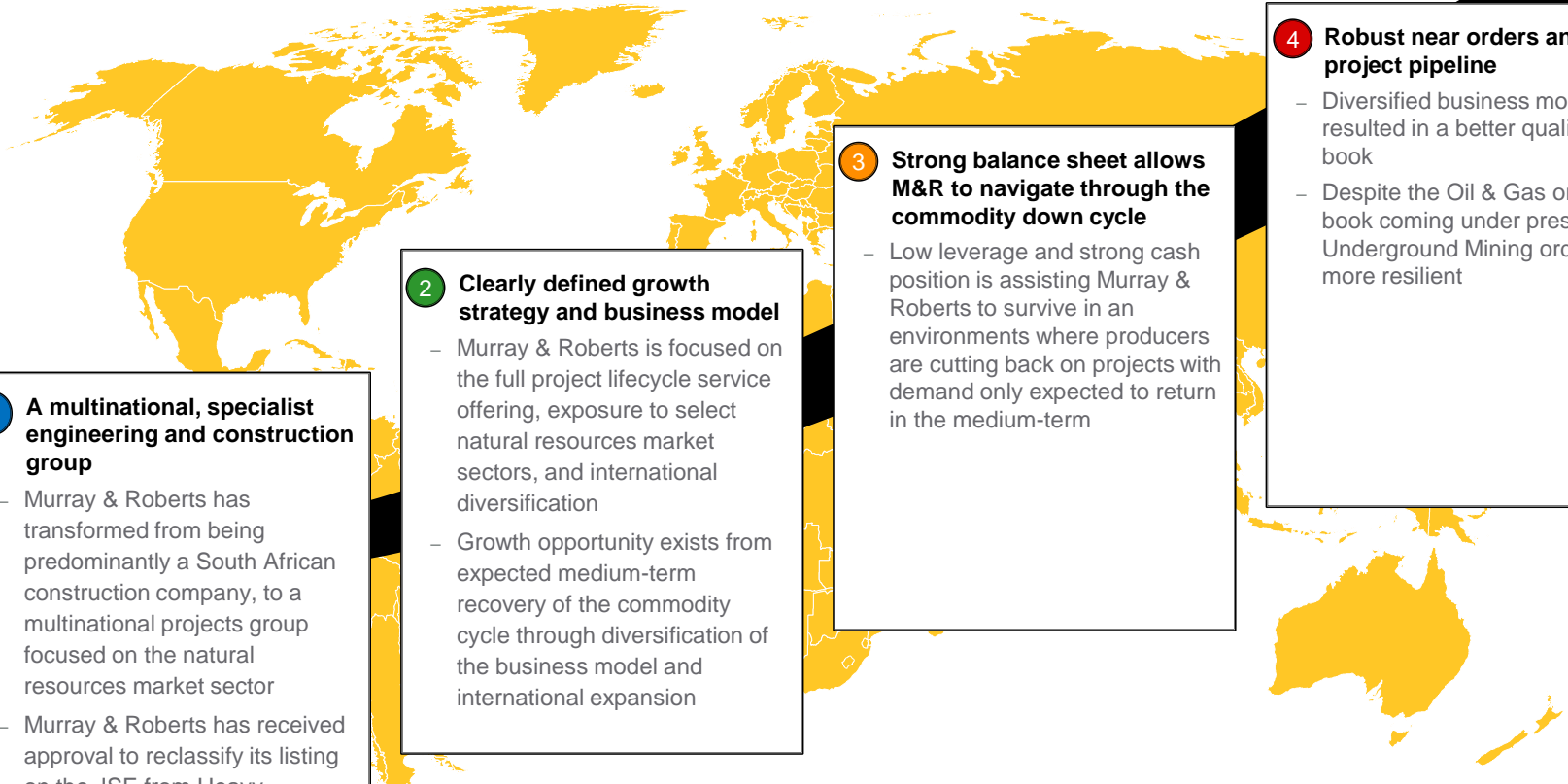
# PRESENTATION OVERVIEW

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# MURRAY & ROBERTS TRANSFORMATION

## A NEW STRATEGIC FUTURE UNFOLDING



### 1 A multinational, specialist engineering and construction group

- Murray & Roberts has transformed from being predominantly a South African construction company, to a multinational projects group focused on the natural resources market sector
- Murray & Roberts has received approval to reclassify its listing on the JSE from Heavy Construction sub-sector to Diversified Industrials sub-sector on 20 March 2017

### 2 Clearly defined growth strategy and business model

- Murray & Roberts is focused on the full project lifecycle service offering, exposure to select natural resources market sectors, and international diversification
- Growth opportunity exists from expected medium-term recovery of the commodity cycle through diversification of the business model and international expansion

### 3 Strong balance sheet allows M&R to navigate through the commodity down cycle

- Low leverage and strong cash position is assisting Murray & Roberts to survive in an environments where producers are cutting back on projects with demand only expected to return in the medium-term

### 4 Robust near orders and project pipeline

- Diversified business model has resulted in a better quality order book
- Despite the Oil & Gas order book coming under pressure, Underground Mining order book more resilient



# THE MURRAY & ROBERTS GROUP

A MULTINATIONAL SPECIALIST ENGINEERING AND CONSTRUCTION  
GROUP FOCUSED ON THE NATURAL RESOURCES MARKET SECTOR

**STOP.THINK.ACT.24/7: SAFETY FIRST IN EVERYTHING WE DO**

## BUSINESS PLATFORMS

**OIL & GAS**

**UNDERGROUND MINING**

**POWER & WATER**

### PURPOSE

Enabling fixed  
capital investments  
that support the  
advancement of  
human  
development

### VISION

By 2025, to be a  
leading multinational  
group that applies its  
project lifecycle  
capabilities to  
optimise client's  
fixed capital  
investment

### VALUES

Integrity  
Respect  
Care  
Accountability  
Commitment





**PNG LNG Jetty**



**Wheatstone Jetty**



**NAAN 3 Ammonium Nitrate Plant**



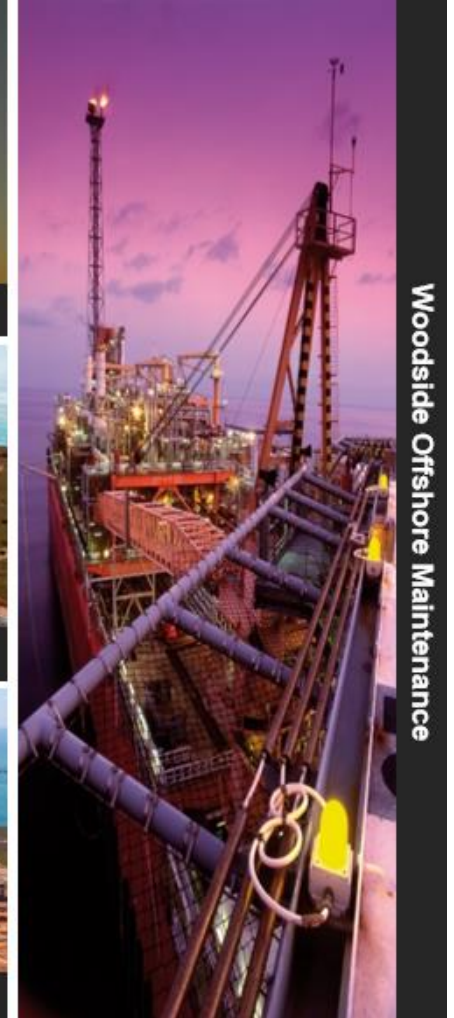
**Pluto LNG Jetty**



**Wheatstone Hoop-up & Commissioning**



**Chevron's Gorgon Project**



**Woodside Offshore Maintenance**



# UNDERGROUND MINING PLATFORM

FLAGSHIP PROJECTS IN AFRICA, THE AMERICAS AND AUSTRALASIA



**Hecla Mining Company**



**Potash Corp**



**Xstrata Nickel**



**De Beers Canada**



**De Beers Venetia**



**AuRico Gold Inc.**



**Freeport Indonesia**



**Xstrata Zinc**



**Northam Booyendal**



# POWER & WATER PLATFORM

FLAGSHIP PROJECTS IN SOUTH AFRICA, GHANA AND MOZAMBIQUE



**Medupi Power Station**



**Kusile Power Station**



**Morupule A Refurbishment**



**Tarkwa Water Treatment**



**Sasol Environment**



**Kusile FGD Units**



**NMPP Tank Farm**



**Morupule A Power Station**



**Wastewater Treatment**



**Vale Water Treatment**





## **SUMMARISED FINANCIAL RESULTS**

### **BOOYSENDAL PLATINUM MINE, MPUMALANGA, SOUTH AFRICA**



**FY2017 H1 (COMPARED TO FY2016 H1)  
RESULTS WERE NEGATIVELY IMPACTED BY:**

- Decline in earnings from the Oil & Gas platform (R172 million);
- Cost increase to close out projects and the business in the Middle East (R130 million);
- Forex movements (R244 million); and
- Net present value charge of Voluntary Rebuild Programme with South African Government (R170 million).

**TOTAL IMPACT: R716 MILLION****FINANCIAL RESULTS FOR THE SIX MONTHS TO  
31 DECEMBER 2016:**

- Revenue from continuing operations of R10,7 billion (December 2015<sup>1</sup>: R13,0 billion);
- Diluted continuing HEPS of 27 cents (December 2015<sup>1</sup>: 93 cents);
- Attributable loss of R60 million (December 2015: R376 million profit);
- Cash net of debt of R1,1 billion (December 2015: R1,0 billion); and
- Order book for continuing operations of R24,5 billion (December 2015: R35,2 billion).

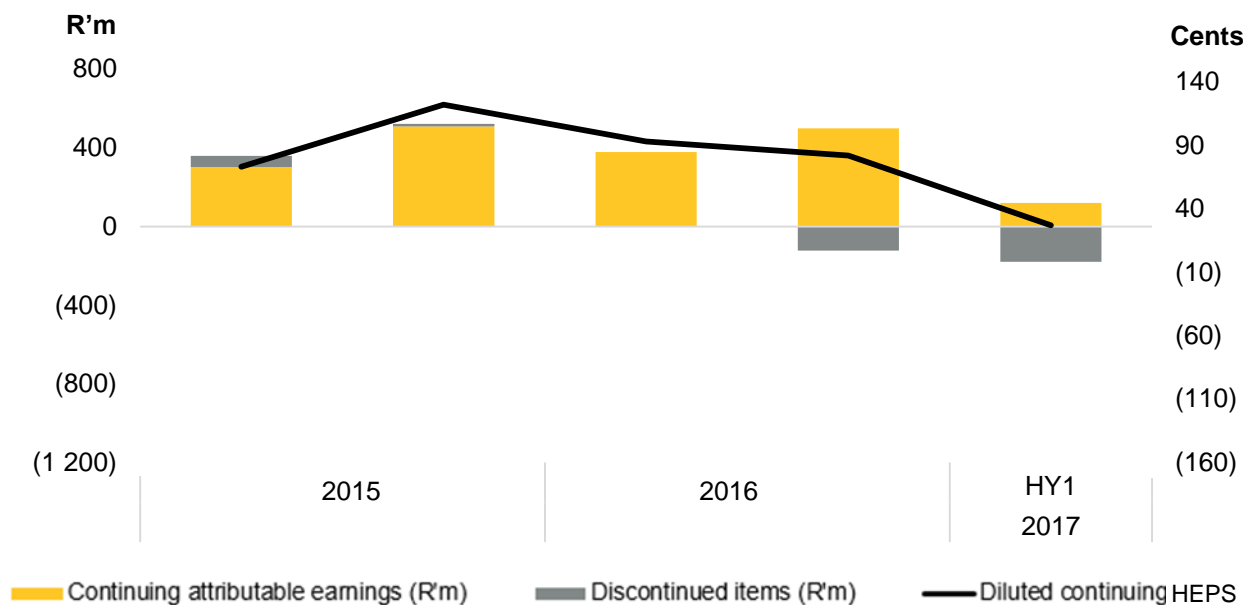
- Settlement of all Gautrain development period disputes
- Sale of Infrastructure & Building businesses and Genrec progressing and should be completed within the second half of the current financial year
- Record-low lost time injury frequency rate of 0.56 (December 2015: 0.78). Regrettably one fatal incident
- Approval to transfer the Company's sub-sector listing on the JSE from Heavy Construction to Diversified Industrial received in February 2017

<sup>1</sup> Restated for discontinued operations



# HISTORICAL FINANCIAL RESULTS

## ATTRIBUTABLE EARNINGS AND DILUTED CONTINUING HEPS



### Earnings from continuing operations R119m

- Good performance by Underground Mining
- Power & Water returned to profitability

*offset by*

- Reduced earnings from Oil & Gas platform
- Increased cost in the Middle East
- No forex gains

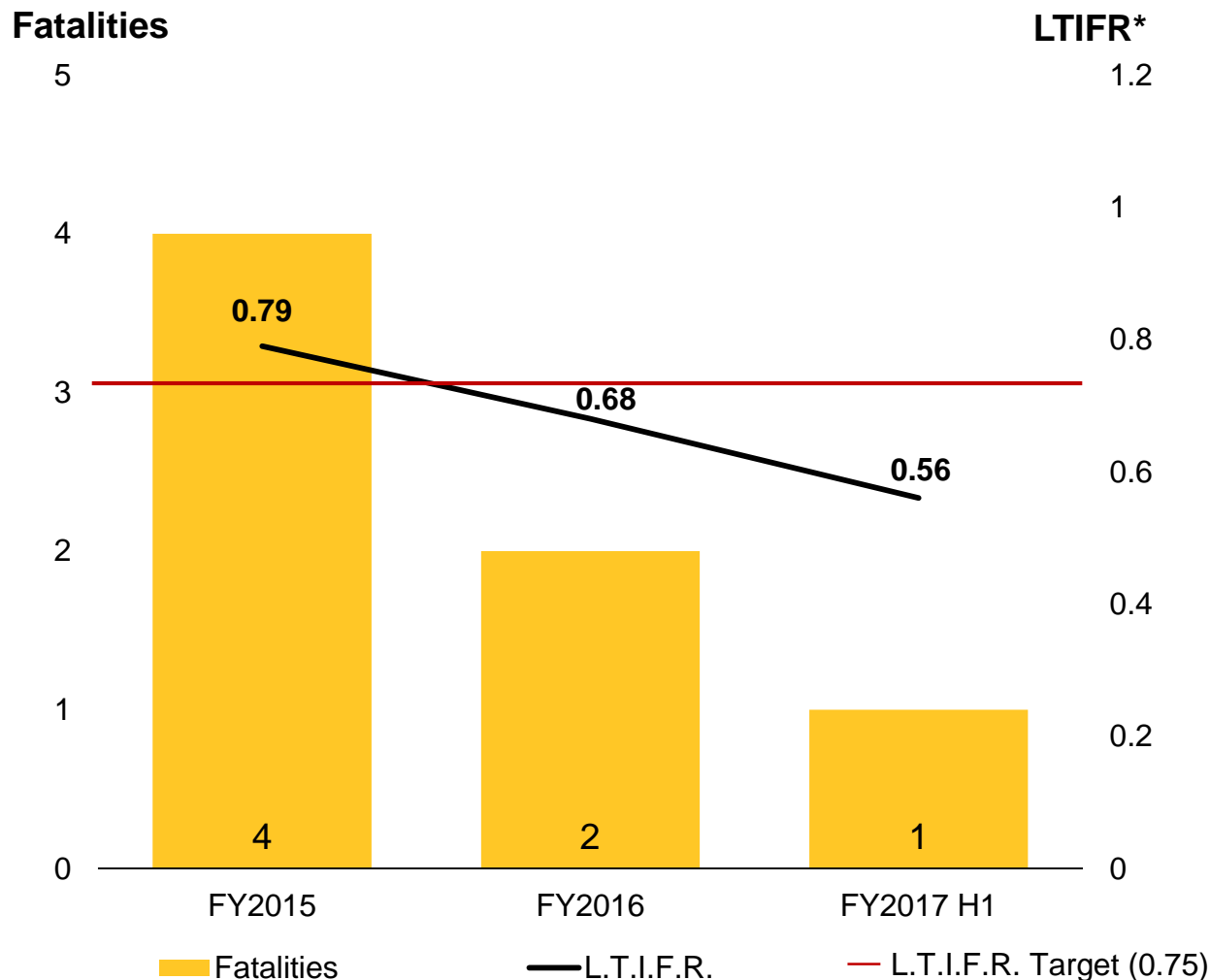
### Losses from discontinued operations R179m

- Relates primarily to the net present value charge of the Voluntary Rebuild Programme settlement of R170m

	2015		2016		2017
	HY1 <sup>1</sup>	HY2 <sup>1</sup>	HY1 <sup>1</sup>	HY2	HY1
<b>Total attributable earnings (Rm)</b>	<b>359</b>	<b>522</b>	<b>376</b>	<b>377</b>	<b>(60)</b>
Continuing attributable earnings (Rm)	302	508	378	499	119
Discontinued attributable earnings (Rm)	57	14	(2)	(122)	(179)
<b>Diluted continuing HEPS (Cents)</b>	<b>73</b>	<b>122</b>	<b>93</b>	<b>82</b>	<b>27</b>

<sup>1</sup> Restated for discontinued operations





## Regrettably, one fatality was suffered

- Ditebogo Phuduhudu, Infrastructure & Building platform's Noupoot Wind Farm project

## Record-low LTIFR of 0.56

- In the Oil & Gas platform, Clough achieved zero lost time injuries over the past 12 months

## Grayston Incident

- Department of Labour Inquiry resumes 27 March
- Approval was obtained in January 2017 from the Department of Labour to commence construction over the M1 highway
- Project is expected to be completed during the latter part of the calendar year

\* Lost Time Injury Frequency Rate per million man-hours worked





## **FINANCIAL RESULTS & SEGMENTAL ANALYSIS**

### **WHEATSTONE HOOK-UP AND COMMISSIONING, ONSLOW, WESTERN AUSTRALIA**



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL PERFORMANCE

Rm	2016	2015 <sup>1</sup>	Variance
<b>Revenue</b>	<b>10 653</b>	<b>12 972</b>	<b>(2 319)</b>
<b>EBITDA</b>	<b>498</b>	<b>816</b>	<b>(318)</b>
<b>EBIT</b>	<b>252</b>	<b>579</b>	<b>(327)</b>
Net interest expense	(27)	(52)	25
Taxation	(112)	(144)	32
Income from equity accounted investments	6	6	-
<b>Income from continuing operations</b>	<b>119</b>	<b>389</b>	<b>(270)</b>
Discontinued operations*	(179)	(2)	(177)
Non-controlling interests	-	(11)	11
<b>Attributable (loss)/profit</b>	<b>(60)</b>	<b>376</b>	<b>(436)</b>

1. Decrease in EBIT due to reduced earnings from Oil & Gas platform, increased costs in closing out of Middle East projects and impact of foreign exchange gain recognised in prior year. This was partially offset by an improved performance by Power & Water and fair value adjustment on Bombela Concession Investment
2. Increased effective tax rate due to losses in tax free jurisdictions and African withholdings taxes
3. Increase in discontinued operations losses mainly due to present value of the once-off charge of the Voluntary Rebuild Programme settlement of R170m

\* Reported numbers are after tax and interest, but before non-controlling interests

<sup>1</sup> Restated for discontinued operations



Rm	Dec 16	Jun 16	Variance
<b>Total assets</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Property, plant and equipment	2 105	2 189	(84)
Other non-current assets	2 834	3 906	(1 072)
Current assets	6 624	6 722	(98)
Cash and cash equivalents	2 168	2 813	(645)
Assets classified as held-for-sale	2 190	2 335	(145)
<b>Total equity and liabilities</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Shareholders' equity	6 556	7 264	(708)
Interest bearing debt - short term	352	389	(37)
- long term	697	650	47
Other non-current liabilities	561	467	94
Current liabilities	6 096	7 305	(1 209)
Liabilities classified as held-for-sale	1 659	1 890	(231)
<b>Net cash</b>	<b>1 119</b>	<b>1 774</b>	<b>(655)</b>

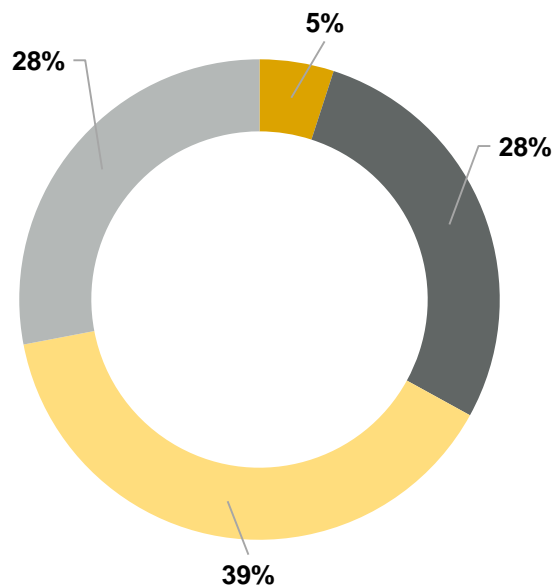
1. Assets and liabilities held-for-sale relate to the Infrastructure & Building businesses, Genrec and remaining Clough properties



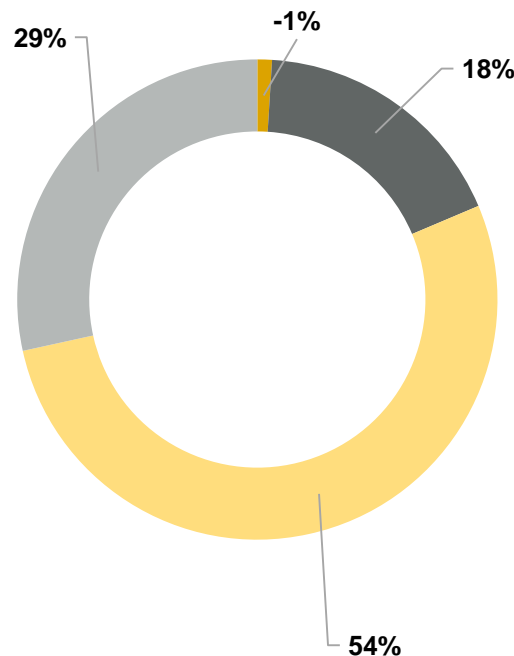
# PLATFORM CONTRIBUTION

## CONTINUING REVENUE AND EBIT

Revenue



EBIT (Before Corporate Cost)



- Middle East & Bombela Investments\*
- Power & Water
- Underground Mining
- Oil & Gas

- Oil & Gas and Underground Mining contribute 67% of revenue and 83% of EBIT
- Income from Bombela Investments offset by losses in Middle East
- Underground Mining strong performance with highest EBIT margin

*Held-for-sale Infrastructure & Building businesses and Genrec reclassified to discontinued (excluded from revenue and EBIT)*

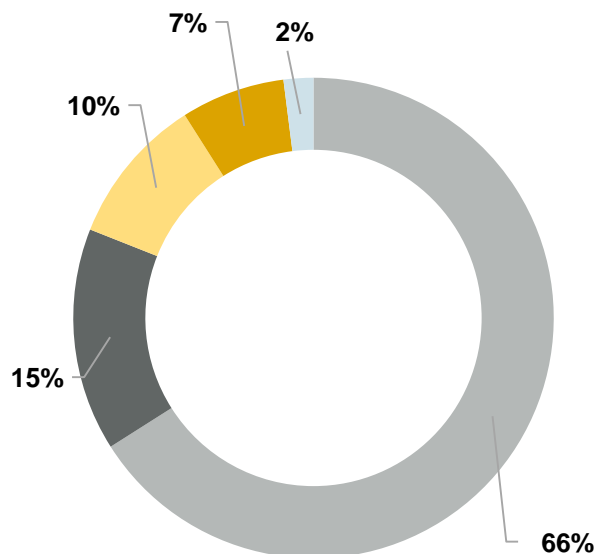
\* Previously part of the Infrastructure & Building platform



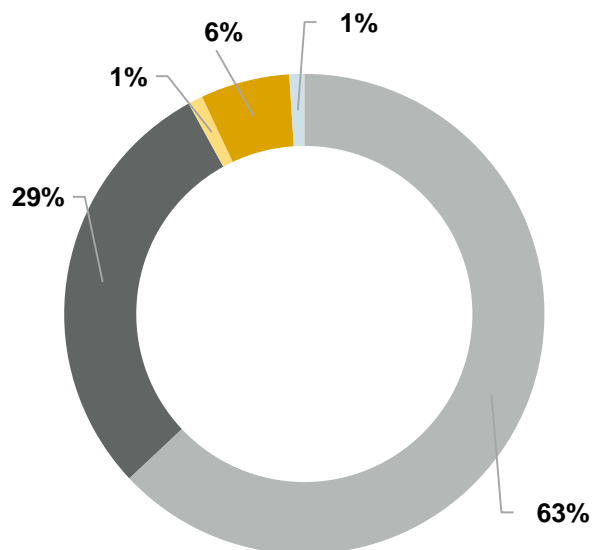
# PROJECT LIFE CYCLE DISTRIBUTION

## CONTINUING REVENUE AND EBIT

**Life Cycle Revenue**



**Life Cycle EBIT (excluding  
Concession Investment and  
Corporate cost)**



- Construction\*
- Commissioning
- Planning & Engineering
- Operations
- Maintenance & Refurbishment

- Construction activity contributes 66% (FY16: 54%), to revenue and 63% (FY16: 39%), to EBIT
- Commissioning contributed 15% (FY16: 25%) to revenue and 29% (FY16: 37%) to EBIT
- Commissioning attracts the highest margins
- Life cycle diversification currently best achieved in the Oil & Gas and Underground Mining platforms

*FY16 restated for discontinued operations*

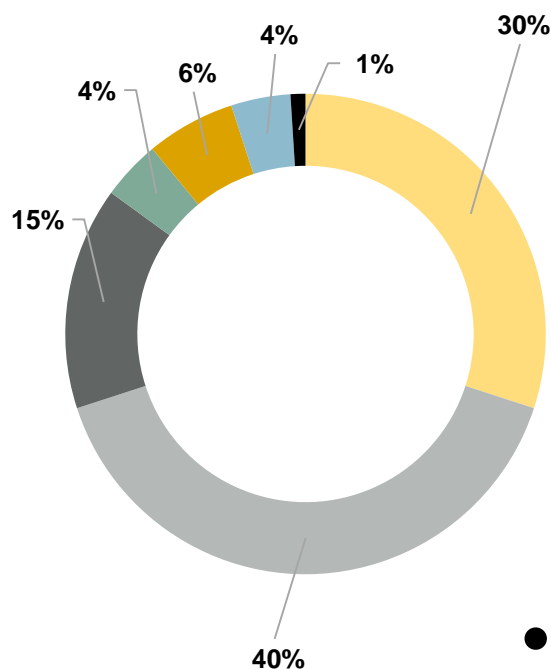
\* Not civil and building construction



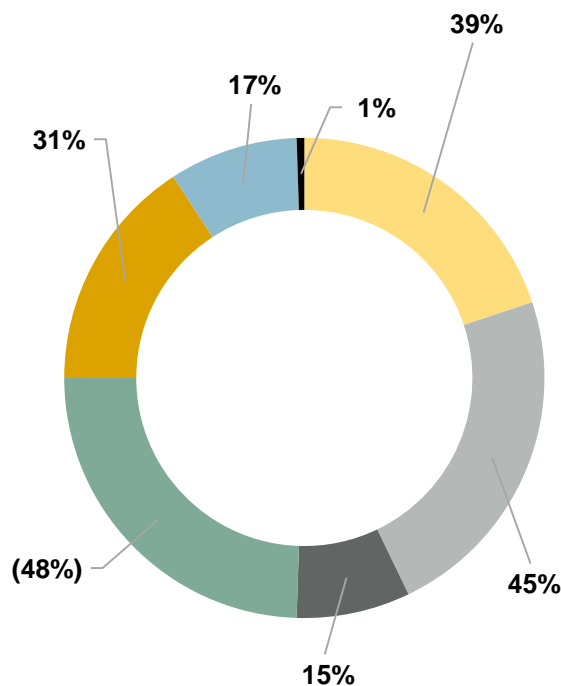
# GEOGRAPHIC DIVERSIFICATION

## CONTINUING REVENUE AND EBIT

**Geographic Revenue**



**Geographic EBIT**



- Europe
- Oceania
- South Africa
- Americas
- Middle East
- Rest of Africa
- Asia

- 40% revenue contribution from South Africa but only a 14% contribution to EBIT when excluding the Bombela Concession Investment (45% including Bombela)
- Oceania (Oil & Gas) and the Americas (Underground Mining) are the dominant profit regions, contributing 45% of revenue and 54% of EBIT

*Held-for-sale Infrastructure & Building businesses and Genrec reclassified to discontinued (excluded from revenue and EBIT)*



**Oil & Gas**
**Underground Mining**
**Power & Water**
**Bombela & Middle East**

Rm	Engineering		Construction		Global Marine		Commissioning & Brownfields		Corporate & Other		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue	733	1 612	116	-	258	612	1 790	3 486	134	347	<b>3 031</b>	<b>6 057</b>
Operating profit / (loss)	45	158	(23)	-	22	(49)	229	353	(170)	(187)	<b>103</b>	<b>275</b>
Operating margin (%)	6%	10%	(20%)	-	9%	(8%)	13%	10%	-	-	<b>3%</b>	<b>5%</b>
Order book	1 011	1 508	952	-	151	555	2 820	7 064	-	-	<b>4 934</b>	<b>9 127</b>

**The decrease in operating results by R172m reflects the completion of major LNG capex projects in Australia and cutback in expenditure by oil and gas companies due to low energy prices**

- 1. Engineering:** Reduced order book reflective of close out of major projects in Australia. Booth Welsh (Scotland) & CH-IV (USA) continues to perform well
- 2. Construction:** Order book and outlook has improved following the award of the Ichthys projects. Operating loss mainly due to tendering costs incurred
- 3. Global Marine:** Margin has improved following the successful delivery of Woodside KLE in Australia and the Saldanha project in South Africa progressing well
- 4. Commissioning & Brownfields:** Strong margins following an extension on the Wheatstone hook up & commissioning project
- 5. Corporate & Other:** Overhead cost reduction initiatives within Clough consistently under review to ensure business programmes and activities reflect the changes in market sector



Oil &amp; Gas

**Underground Mining**

Power &amp; Water

Bombela &amp; Middle East

Rm	Africa		Australasia		The Americas		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Revenue	1 718	1 729	901	570	1 483	1 899	<b>4 102</b>	<b>4 198</b>
Operating profit	41	16	99	43	58	160	<b>198</b>	<b>219</b>
<i>Operating margin (%)</i>	<i>2%</i>	<i>1%</i>	<i>11%</i>	<i>8%</i>	<i>4%</i>	<i>8%</i>	<b>5%</b>	<b>5%</b>
Order book	9 162	10 328	1 212	1 878	2 544	4 051	<b>12 918</b>	<b>16 257</b>

### The decrease in operating results by R21m is due to decreased contribution from the Americas

- Africa:** Stronger operating margins will only be realised at significantly higher revenue levels
- Australasia:** Excellent performance driven by increased higher margin raiseboring activity and scope growth on Freeport & Karari
- The Americas:** Decline in revenue and margins, primarily in the USA as a result of project delays



Oil &amp; Gas

Underground Mining

**Power & Water**

Bombela &amp; Middle East

Rm	Power programme <sup>2</sup>		MEI and Water <sup>3</sup>		Total	
	2016	2015 <sup>1</sup>	2016	2015 <sup>1</sup>	2016	2015 <sup>1</sup>
Revenue	2 298	1 915	663	(24)	<b>2 961</b>	<b>1 891</b>
Operating profit / (loss)	126	116	(60)	(144)	<b>66</b>	<b>(28)</b>
Operating margin (%)	5%	6%	(9%)	600%	<b>2%</b>	<b>(1%)</b>
Order book	5 330	6 950	437	685	<b>5 767</b>	<b>7 635</b>

### Operating results increased by R94m from the prior period

- 1. Power programme:** Acceleration on power programme resulting in higher revenues. Disallowed costs currently in dispute, negatively affecting margin
- 2. MEI and Water:** Very good performance on several projects, especially HUSAB in Namibia, was offset by an estimated R116m loss at completion recognised on Kusile WFGD project - as claims on this project are not sufficiently advanced, they have not been accounted for in the reporting period

<sup>1</sup> Restated for discontinued operations (Genrec)

<sup>2</sup> Power programme contracts

<sup>3</sup> Includes Water and Mechanical, Electrical Instrumentation ("MEI")



Oil &amp; Gas

Underground Mining

Power &amp; Water

**Bombela & Middle East**

Rm	Bombela Investments		Middle East		Total	
	2016	2015	2016	2015	2016	2015
Revenue	120	52	439	774	<b>559</b>	<b>826</b>
Operating profit / (loss)	171	15	(173)	(43)	<b>(2)</b>	<b>(28)</b>
<i>Operating margin (%)</i>	<i>143%</i>	<i>29%</i>	<i>(39%)</i>	<i>(6%)</i>	<b><i>(0%)</i></b>	<b><i>(3%)</i></b>
Order book	-	72	906	2 069	<b>906</b>	<b>2 141</b>

**Operating results are mainly affected by losses incurred on the closing out of projects and the business in the Middle East**

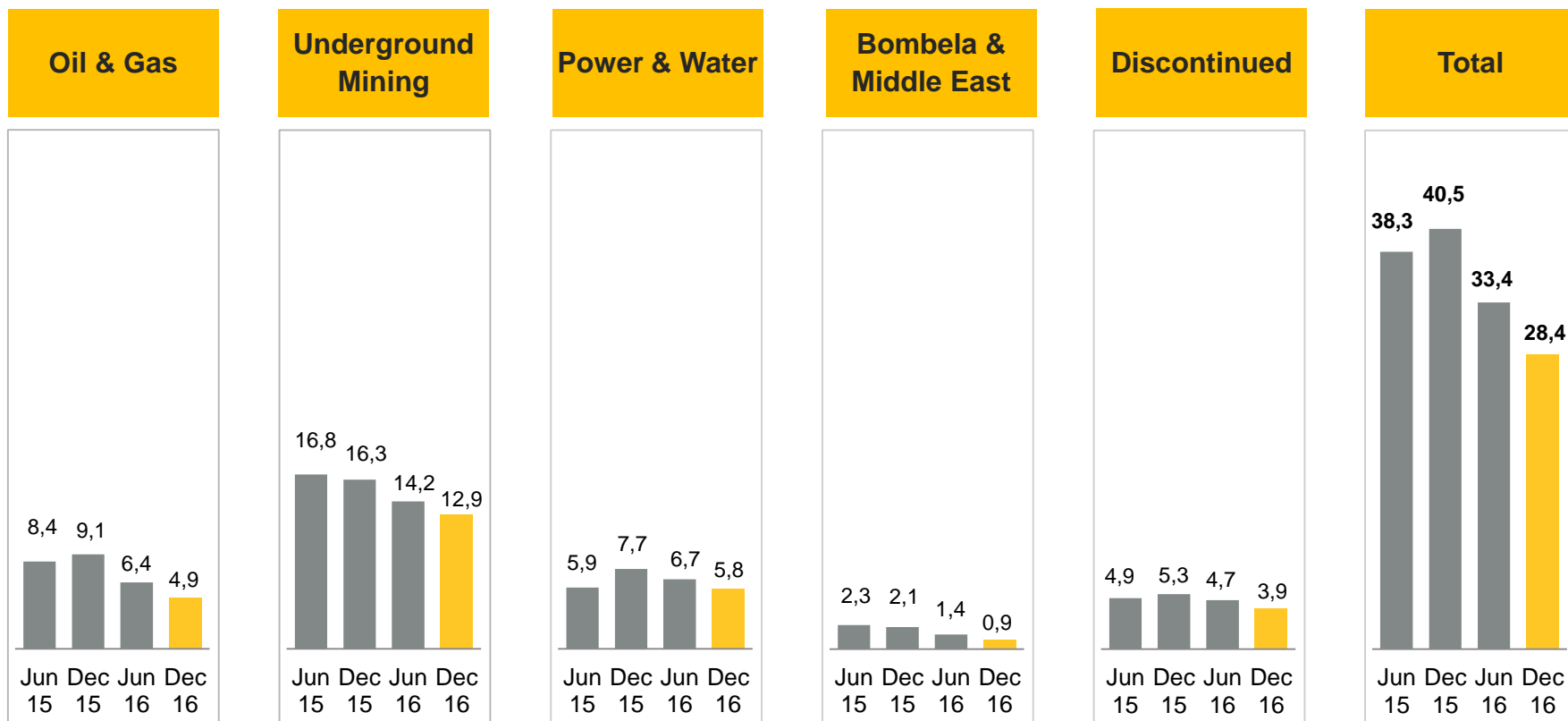
- Bombela Investments:** Current period includes a R117m fair value adjustment on Bombela Concession Investment, as well as settlement of partner accounts and release of maintenance provisions in Bombela Civil Joint Venture, following the Gautrain settlement
- Middle East:** Legal costs to progress the Dubai Airport claim and increased cost taken on the closing out of Middle East projects (mainly on Mafrq hospital in Abu Dhabi)





**ORDER BOOK, NEAR ORDERS & PIPELINE**  
**ORGANICA WASTEWATER TREATMENT PLANT, LE LUDE, FRANCE**





1. Decline in Oil& Gas and Underground Mining order books reflective of persistent weakness in commodity cycle
2. Power & Water order book lower due to acceleration on the power programme
3. Middle East order book will run out in the next 12 months
4. Bombela not included in the order book (investment – not consolidated)
5. Discontinued: Infrastructure & Building platform and Genrec



# ORDER BOOK

## GEOGRAPHY & TIME DISTRIBUTION

Platform	Order book % split		Order book Rbn		Order book Rbn
	SADC	Int.	Dec 2016	Jun 2016	FY Time Distribution
Oil & Gas	100		4,9	6,4	2017 1,9 2018 1,6 >2018 1,4
Underground Mining	71	29	12,9	14,2	2017 4,1 2018 3,1 >2018 5,7
Power & Water	100		5,8	6,7	2017 2,4 2018 2,7 >2018 0,7
Bombela & Middle East*	100		0,9	1,4	2017 0,7 2018 0,2 >2018
Discontinued operations	100		3,9	4,7	2017 1,8 2018 1,6 >2018 0,5
	61%	39%	28,4	33,4	2017 R10,9bn 2018 R9,2bn >2018 R8,3bn

\* Bombela not included in the current year order book (investment – not consolidated)



# ORDER BOOK, NEAR ORDERS & PIPELINE

## STRONG PIPELINE BUT TIMING UNCERTAIN

Rbn	Order book	Pipeline			
		Near orders	Category 1	Category 2	Category 3
Oil & Gas	4,9	0,5	22,4	12,7	250,1
Underground mining	12,9	8,2	14,1	21,9	28,7
Power & Water	5,8	0,3	3,1	10,3	18,9
Middle East*	0,9	-	-	-	-
<b>Continuing Operations Totals</b>	<b>24,5</b>	<b>9,0</b>	<b>39,6</b>	<b>44,9</b>	<b>297,7</b>
<b>Discontinued Operations Totals</b>	<b>3,9</b>	<b>0,9</b>	<b>9,4</b>	<b>35,3</b>	<b>52,5</b>
<b>31 December 2016 Totals**</b>	<b>28,4</b>	<b>9,9</b>	<b>49,0</b>	<b>80,2</b>	<b>350,2</b>
<b>30 June 2016 Totals**</b>	<b>33,4</b>	<b>10,6</b>	<b>40,0</b>	<b>101,2</b>	<b>505,5</b>

### PIPELINE DEFINITION

**Near orders:** Tenders where the Group is the preferred bidder and final award is subject to financial / commercial close – there is more than a 95% chance that these orders will be secured

**Category 1:** Tenders the Group is currently working on (excluding Near Orders) – projects developed by clients to the stage where firm bids are being obtained – chance of being secured as firm orders a function of final client approval as well as bid strike rate

**Category 2:** Budgets, feasibilities and prequalification the Group is currently working on – project planning underway, not at a stage yet where projects are ready for tender

**Category 3:** Opportunities which are being tracked and are expected to come to the market in the next 36 months – identified opportunities that are likely to be implemented, but still in pre-feasibility stage

\* Bombela not included in the current year order book (investment – not consolidated)

\*\* Including continuing and discontinued operations





## **OUTLOOK & CLAIMS**

### WÄRTSILÄ GAS POWER PLANT, MOZAMBIQUE



11 January 2017

**HSBC**  
Global Research


**ICBC**  **Standard Bank**

### Oil Insights

**2017: the end of the beginning?**

- ▶ Market moving back to balance, OPEC
- ▶ US supply bounce to be offset by other
- ▶ Brent assumptions unchanged at FY a



 **MACQUARIE**

### Commodities Comment

**2016 commodity price review – pulling out from the vortex**

- When compared to 2015's calamity and capitulation, 2016 will be remembered as the year of China-led recovery for commodity prices, backed up by reflation expectations. On an indexed basis, almost every major commodity (ex-agriculture) showed price gains as demand surprised on the

### Commodities Outlook – Q1 2017

Actively Bullish



**Stanley** | RESEARCH

17 03:35 PM GMT

### Global Integrated Oil

**Loading Up for 2017: Getting More Positive on Oil-Leveraged Names**

**OPEC Deal Provides Oil Price Floor for 2017**

Our view is that a reasonable level of compliance with the OPEC/NOPEC announced production cuts should put a floor under oil prices moving into 2017, which should result in good performance for the more oil-price leveraged stocks

### Oil & Gas

**Offshore FEED Activity Supportive for 2017 FIDs**

Front-end engineering activity (FEED) was more resilient than wider offshore activity in 2016. We view this as a positive indicator of future FIDs and thus contract awards for Oil Services companies. Stay Overweight TechnipFMC, Subsea 7, Saipem and Aker Solutions, which are exposed to this theme.



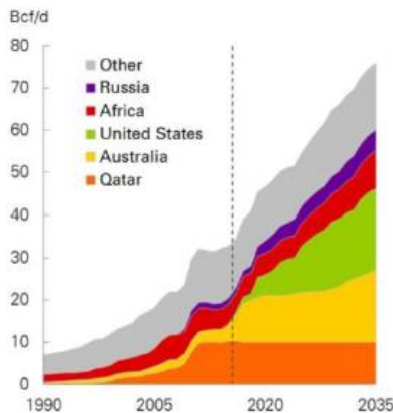




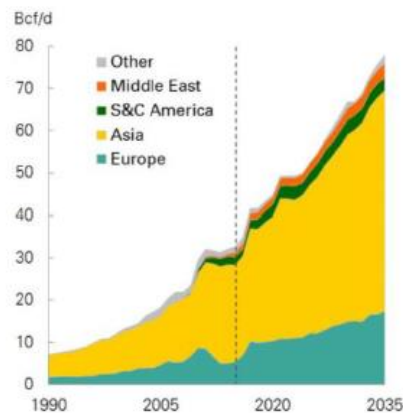
### Oil & Gas

- Platform will be very active in the commissioning market for the next 12 to 18 months
- Brownfields operations and maintenance opportunities are expected to be the main source of earnings from this Australasian region until at least 2021
- Significant opportunities in Asia are present in the downstream petrochemical space and focus in Indonesia will be on gas/liquids to power projects, in particular re-gas terminals
- Strong growth in US gas production driven by growth from shale deposits and oil and gas spending across Africa is forecast to increase, driven largely by spending in Nigeria, Mozambique and Kenya
- The first new Greenfields opportunities are expected to be in PNG, as energy producers are progressing work associated with new LNG facilities, to be ready for production by 2022 and 2023
- Near orders R0,5bn and pipeline R22,4bn (category 1)

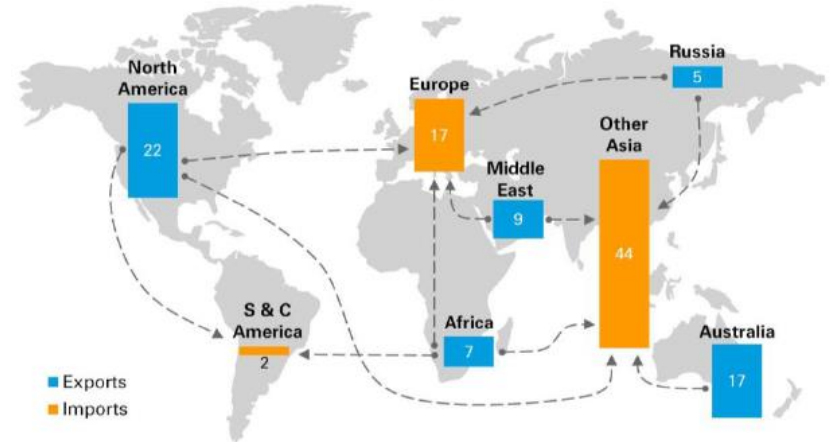
LNG supply



LNG demand



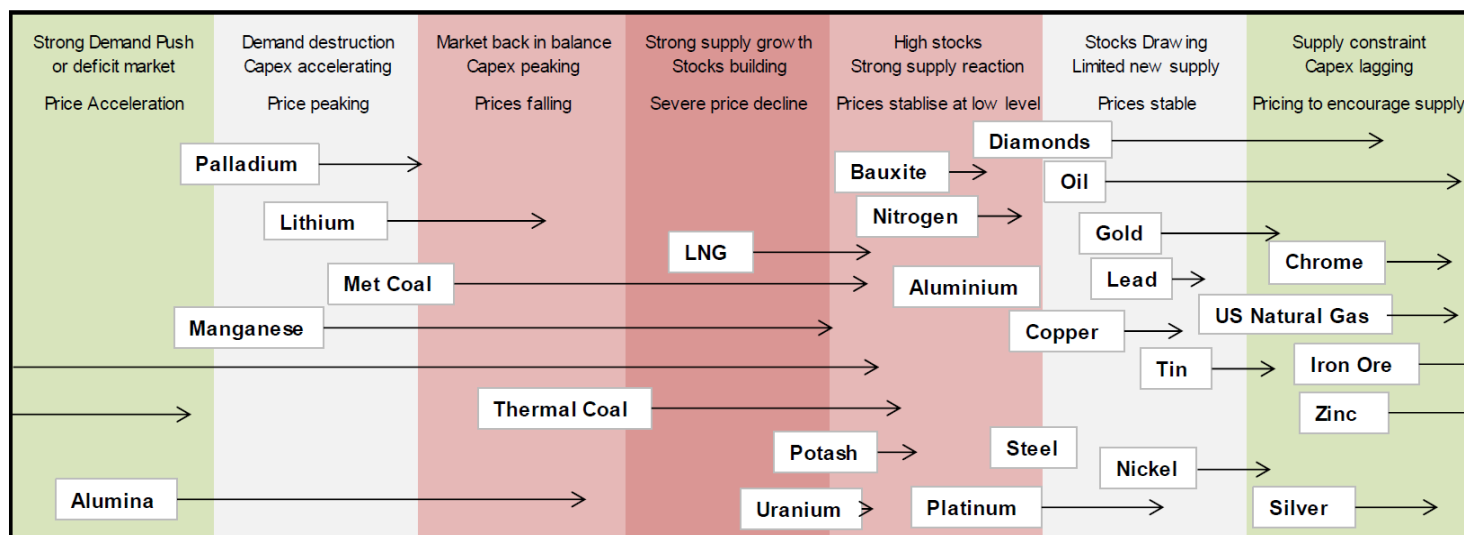
Net LNG exports and imports 2035 (Bcf/d)





### Underground Mining

- The commodity cycle is slowly turning and has passed the low point. Producers are expected to gradually start to invest in expansion
- Contract mining projects are being undertaken in all main platform geographic regions, providing a more stable long term baseload of work
- The Australian business experiencing increased demand, although the businesses in the USA and Canada are under pressure as new project awards are being delayed
- The African business continued to achieve good results in Zambia. The tender validity on Kalagadi was extended and the commencement date of the project is still uncertain
- There are significant tenders awaiting adjudication in South Africa, including the new Platreef mine and scope growth at Venetia and Booyseindal. There aren't many new major category 1 prospects in the Americas or Australia, although several smaller opportunities are awaiting adjudication
- Near orders R8,2bn and pipeline R14,1bn (category 1)





# PLATFORM OUTLOOK

SUPPORTS GROUP'S LONG-TERM NATURAL RESOURCES FOCUS

## Power & Water

- The Medupi and Kusile power station projects remain the main source of income for this platform. The current scope of work on these projects is expected to be largely completed by June 2018. Construction work post hydro-testing, albeit at a smaller scale, will continue over a longer period. Maintenance opportunities will come to market thereafter. Although the projects are progressing well, final commercial close out is likely to be complicated and challenging
- The platform also services complementary markets, such as the petrochemical sector. Construction and shutdown opportunities for Sasol Limited at Secunda and Sasolburg are key focus areas
- Opportunities include: Two new IPP coal-fired power stations (Khanyisa - 306MW and Thabametsi - 557MW), solar (Ilanga 1, 3 and 4), as well as the gas-to-power programme (LNG Power Producer Procurement Programme: Coega - 1000MW, and Richards Bay - 2000MW), Ankerlig and Sener
- Near term opportunities include the George Biomass project, as well as the Duvha boiler rebuild for Eskom
- Efforts are continuing to establish a meaningful water business, with a focus on desalination, innovative municipal wastewater treatment technologies, industrial modular water treatment plants and acid mine drainage
- A recently established partnership with RMB offers industrial users a water security and re-use solution at a predetermined cost for treated water. The partnership will design, own, operate, maintain and fund the water plants and a keen interest has been expressed by potential clients
- Near orders R0,3bn and pipeline R3,1bn (category 1)

## Bombela & Middle East\*

- The Bombela Concession Company continues to perform well and delivers great value
- In the Middle East current projects are expected to be completed by December 2017 and no new projects are being pursued

\* Previously part of the Infrastructure & Building platform



**Gauteng Rapid Rail Link (Closed-out)****Overview**

- November 2016 - Bombela Concession Company (on behalf of the Bombela Civil Joint Venture of which Murray & Roberts is a 45% shareholder) and the Gauteng Provincial Government, agreed to a comprehensive settlement of all disputes relating to the development period (construction period) of the Gautrain Rapid Rail Link Project

**Rationale**

- Due to the extended time, significant costs and uncertain outcomes involved in these legal processes, both parties agreed to conclude an amicable settlement of all development period disputes

**Commercial agreement**

- Gauteng Provincial Government paid an upfront amount of R980 million and a further payment to be received over a two year period of a capped amount of R294 million – these values are inclusive of VAT and the Group's share in the settlement value is 50 percent

**Dubai International Airport (Ongoing)**

- Dubai Airport City Corporation confirmed that it was the respondent to the claim
- Arbitration is progressing with hearing dates scheduled for April/May and October/November 2017
- Subject to any changes in hearing dates, an award is expected by February 2018





# KEY PRESENTATION TAKEAWAYS



Disposals of the Infrastructure & Building and Genrec businesses underway, resulting in an engineering and construction Group only focused on selected natural resources market sectors



Murray & Roberts has received approval to reclassify its listing on the JSE from Heavy Construction sub-sector to Diversified Industrials sub-sector on 20 March 2017



Murray & Roberts participated in a settlement agreement with South African Government. The agreement de-risks the business and settles potential public sector claims relating to historical matters



Murray & Roberts has transformed from being predominantly a South African construction company, to a multinational projects delivery group



Balance sheet: At December 2016, cash net of debt of R1,1 billion



Substantial project pipeline of R391 billion, but the timing of opportunities remains uncertain



Trading conditions in mining sector showing signs of improvement. But challenging times in oil and gas sector expected to persist in the short to medium term



The weakness of the oil price and associated significant decline in Oil & Gas platform contribution will impact on the Group's short to medium term earnings



The Group expects FY17 and FY18 results to be reflective of the weak global economy and ongoing difficult trading conditions



# ACQUISITION OF MATERIAL INTEREST IN M&R

## ATON GMBH ACQUIRES 25.5% BENEFICIAL INTEREST



### Background

- **16 February 2017** – Murray & Roberts experiences unusually high trading volumes in its ordinary shares traded on the JSE
- According to market data, approximately 96 million Murray & Roberts shares traded, equivalent to approximately 22% of the Company's total issued ordinary share capital
- **21 February 2017** – Murray & Roberts receives formal notification ATON has acquired a 25.5% beneficial interest in the Company
- Other than the formal notification received, the Company confirms that it has not received any other correspondence or communication from ATON

### Relationship with ATON

- ATON initially acquired a 4.49% shareholding between June and September 2015
- The underground mining contractor J.S. Redpath Holding, Inc ("Redpath") is a wholly owned subsidiary of ATON
- Murray & Roberts and ATON held exploratory discussions between September 2015 and April 2016, regarding a potential combination of Redpath with Murray & Roberts' Underground Mining business platform
- Whilst there was merit in the potential combination, the parties could not reach agreement on the proposed transaction structure and relative value. Accordingly, discussions ceased in May 2016

### About ATON

- ATON is a private investment holding company headquartered in Germany, with a diverse portfolio of investments in the mining, engineering, aviation and health technology sectors



*This presentation includes certain various “forward-looking statements” within the meaning of Section 27A of the US Securities Act 10 1933 and Section 21 E of the Securities Exchange Act of 1934 that reflect the current views or expectations of the Board with respect to future events and financial and operational performance. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: the Group’s strategy; the economic outlook for the industry and the Group’s liquidity and capital resources and expenditure. These forward-looking statements speak only as of the date of this presentation and are not based on historical facts, but rather reflect the Group’s current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “expect”, “anticipate”, “intend”, “should”, “planned”, “may”, “potential” or similar words and phrases. The Group undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of any unexpected events. Any forward-looking information contained in this presentation has not been reviewed nor reported upon by the Group’s external auditors.*

*Neither the content of the Group’s website, nor any website accessible by hyperlinks on the Group’s website is incorporated in, or forms part of, this presentation.*



An abstract architectural graphic on the left side of the slide. It features a large, semi-circular structure composed of concentric rings and radial lines, resembling a tunnel or a complex mechanical part. The structure is rendered in various shades of yellow and grey, with some lines appearing as if they are part of a technical drawing or blueprint. The overall effect is one of depth and complexity.

# **REPORT TO STAKEHOLDERS**

**SIX MONTHS TO  
31 DECEMBER 2016**

This presentation is available on [www.murrob.com](http://www.murrob.com)



An abstract architectural graphic on the left side of the page. It features a large, semi-circular structure composed of concentric rings and radial lines, resembling a cross-section of a tunnel or a complex mechanical part. The graphic is rendered in various shades of yellow and grey, with some lines appearing as if they are part of a technical drawing or blueprint. The overall effect is one of depth and complexity, suggesting a focus on engineering and design.

# **REPORT TO STAKEHOLDERS**

**SIX MONTHS TO  
31 DECEMBER 2016**

**APPENDIX**



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL PERFORMANCE

Rm	2016	2015 <sup>1</sup>	Variance
<b>Revenue</b>	<b>10 653</b>	<b>12 972</b>	<b>(2 319)</b>
<b>EBITDA</b>	<b>498</b>	<b>816</b>	<b>(318)</b>
<b>EBIT</b>	<b>252</b>	<b>579</b>	<b>(327)</b>
Net interest expense	(27)	(52)	25
Taxation	(112)	(144)	32
Income from equity accounted investments	6	6	-
Discontinued operations*	(179)	(2)	(177)
Non-controlling interests	-	(11)	11
<b>Attributable (loss)/profit</b>	<b>(60)</b>	<b>376</b>	<b>(436)</b>

\* Reported numbers are after tax and interest, but before non-controlling interests

<sup>1</sup> Restated for discontinued operations



Rm	2016	2015 <sup>1</sup>	Variance
<b>Revenue</b>	<b>10 653</b>	<b>12 972</b>	<b>(2 319)</b>

### Revenue decreased by 18%

1. Lower revenue by Oil & Gas (-50%) due to weakening oil price, partially offset by acceleration on the power programme (+56%)

<sup>1</sup> Restated for discontinued operations





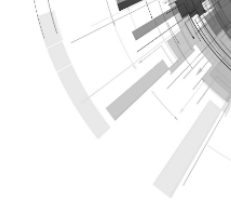
Rm	2016	2015 <sup>1</sup>	Variance
Revenue	10 653	12 972	(2 319)
<b>EBITDA</b>	<b>498</b>	<b>816</b>	<b>(318)</b>

**EBITDA is reflected before**

1. Depreciation charge of R224m (2015: R211m)
2. Amortisation of intangible assets of R22m (2015: R26m)

<sup>1</sup> Restated for discontinued operations





Rm	2016	2015 <sup>1</sup>	Variance
Revenue	10 653	12 972	(2 319)
EBITDA	498	816	(318)
<b>EBIT</b>	<b>252</b>	<b>579</b>	<b>(327)</b>

**The decrease in EBIT from the prior year is mainly attributable to**

1. Foreign currency exchange movement on intercompany loans recognised in Corporate (R244m). Variance made up of R11m loss for 2016 and R233m profit in 2015
2. Weaker performance in Oil & Gas due to low oil price (R172m)
3. Increased cost on the closing out of the four remaining Middle East projects (R130m)
4. Underground Mining negatively impacted by decreased contribution from the Americas (R102m), offset by strong performances by Australasia (R56m) and Africa (R25m)

**The decrease is partially offset by**

1. Improved performance by Power & Water (R94m) despite an estimated R116m loss at completion recognised on Kusile WFGD project
2. Fair value adjustment on Bombela Concession Investment; as well as settlement of partner accounts and release of maintenance provisions in Bombela Civil Joint Venture, following the Gautrain settlement (R156m)

<sup>1</sup> Restated for discontinued operations



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL PERFORMANCE



Rm	2016	2015 <sup>1</sup>	Variance
Revenue	10 653	12 972	(2 319)
EBITDA	498	816	(318)
EBIT	252	579	(327)
<b>Net interest expense</b>	<b>(27)</b>	<b>(52)</b>	<b>25</b>

Lower net interest expense mainly attributable to the partial repayment of the revolving credit facility in Australia and lower average asset based finance during the year

<sup>1</sup> Restated for discontinued operations



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL PERFORMANCE



Rm	2016	2015 <sup>1</sup>	Variance
Revenue	10 653	12 972	(2 319)
EBITDA	498	816	(318)
EBIT	252	579	(327)
Net interest expense	(27)	(52)	25
<b>Taxation</b>	<b>(112)</b>	<b>(144)</b>	<b>32</b>

**The increase in the effective tax rate to 50% (2015: 27%) is mainly attributable to**

1. Losses incurred in jurisdictions with assessed losses and profits earned in higher tax jurisdictions
2. Lower utilisation of tax losses by Australian tax group compared to the prior year
3. Foreign withholding taxes
4. Increase in Capital Gains Tax inclusion rate for companies from 66.6% to 80%

<sup>1</sup> Restated for discontinued operations



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL PERFORMANCE



Rm	2016	2015 <sup>1</sup>	Variance
Revenue	10 653	12 972	(2 319)
EBITDA	498	816	(318)
EBIT	252	579	(327)
Net interest expense	(27)	(52)	25
Taxation	(112)	(144)	32
<b>Income from equity accounted investments</b>	<b>6</b>	<b>6</b>	<b>-</b>

### Income from equity accounted investments is attributable to

1. Income from 23% investment in Bombela Operating Company

<sup>1</sup> Restated for discontinued operations



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL PERFORMANCE

Rm	2016	2015 <sup>1</sup>	Variance
Revenue	10 653	12 972	(2 319)
EBITDA	498	816	(318)
EBIT	252	579	(327)
Net interest expense	(27)	(52)	25
Taxation	(112)	(144)	32
Income from equity accounted investments	6	6	-
<b>Discontinued operations*</b>	<b>(179)</b>	<b>(2)</b>	<b>(177)</b>
<b>Profit on disposal of businesses</b>	<b>-</b>	<b>6</b>	<b>(6)</b>
<b>Trading and other profits</b>	<b>(179)</b>	<b>(8)</b>	<b>(171)</b>

**The loss relating to discontinued operations of R179m relates primarily to**

1. Present value charge of the Voluntary Rebuild Programme settlement of R170m, which is not tax deductible
2. Before tax profit recognised by Infrastructure & Building (R31m) are largely offset by the Genrec loss (R23m)
3. Refer to slide 60

\* Reported numbers are after tax and interest, but before non-controlling interests

<sup>1</sup> Restated for discontinued operations



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL PERFORMANCE

Rm	2016	2015 <sup>1</sup>	Variance
Revenue	10 653	12 972	(2 319)
EBITDA	498	816	(318)
EBIT	252	579	(327)
Net interest expense	(27)	(52)	25
Taxation	(112)	(144)	32
Income from equity accounted investments	6	6	-
Discontinued operations*	(179)	(2)	(177)
<b>Non-controlling interests</b>	<b>-</b>	<b>(11)</b>	<b>11</b>

### Increase in non-controlling interests attributable to

1. Prior period non-controlling interest mainly relates to a contract in Qatar (Middle East)

<sup>1</sup> Restated for discontinued operations



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL POSITION

Rm	Dec 16	Jun 16	Variance
<b>Total assets</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Property, plant and equipment	2 105	2 189	(84)
Other non-current assets	2 834	3 906	(1 072)
Current assets	6 624	6 722	(98)
Cash and cash equivalents	2 168	2 813	(645)
Assets classified as held-for-sale	2 190	2 335	(145)
<b>Total equity and liabilities</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Shareholders' equity	6 556	7 264	(708)
Interest bearing debt - short term	352	389	(37)
- long term	697	650	47
Other non-current liabilities	561	467	94
Current liabilities	6 096	7 305	(1 209)
Liabilities classified as held-for-sale	1 659	1 890	(231)
<b>Net cash</b>	<b>1 119</b>	<b>1 774</b>	<b>(655)</b>





Rm	Dec 16	Jun 16	Variance
Total assets	15 921	17 965	(2 044)
Property, plant and equipment	2 105	2 189	(84)

**Movement in property, plant and equipment**

1. In line with June 2016 – capex is offset by depreciation and foreign currency translation movements
2. Capex comprise of expansion capex (R235m) and maintenance capex (R136m) mainly relating to
  - Oil & Gas (R20m), of which 100% is expansion capex
  - Underground Mining (R279m), of which 73% is expansion capex
  - Power & Water (R28m), of which 85% is replacement capex
  - Infrastructure & Building (R41m), of which 85% is replacement capex





Rm	Dec 16	Jun 16	Variance
<b>Total assets</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Property, plant and equipment	2 105	2 189	(84)
<b>Other non-current assets</b>	<b>2 834</b>	<b>3 906</b>	<b>(1 072)</b>

**The decrease in non-current assets is primarily attributable to**

1. Settlement of uncertified revenue previously recognised on Gautrain (R885m)

**Non-current assets comprise mainly of**

1. Non-current receivables (R655m)
2. Deferred taxation assets (R540m)
3. Goodwill and intangible assets (R817m)
4. Equity accounted investment in associate companies (R15m)
5. Bombela Concession Investment (R807m)





Rm	Dec 16	Jun 16	Variance
<b>Total assets</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Property, plant and equipment	2 105	2 189	(84)
Other non-current assets	2 834	3 906	(1 072)
<b>Current assets</b>	<b>6 624</b>	<b>6 722</b>	<b>(98)</b>

### Current assets comprise mainly of

1. Contracts in progress and contract receivables (R5 118m)
2. Receivables (R1 209m)
3. Inventories (R288m)
4. Current taxation asset (R9m)





Rm	Dec 16	Jun 16	Variance
<b>Total assets</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Property, plant and equipment	2 105	2 189	(84)
Other non-current assets	2 834	3 906	(1 072)
Current assets	6 624	6 722	(98)
<b>Cash and cash equivalents</b>	<b>2 168</b>	<b>2 813</b>	<b>(645)</b>

### Movement in cash and cash equivalents mainly attributable to

- 1) Cash generated by operations of R279m
- 2) Offset by interest, tax, dividends (net) and the acquisition of treasury shares (-R258m)
- 3) Capex net increase in project related financing (-R214m)
- 4) Foreign currency translation movements on cash (-R245m)
- 5) Cash related to assets held-for-sale due to movement working capital, debt and a cash enhancement to adjust the net asset value of the construction business (-R303m)
- 6) Increase in non-interest bearing debt from joint ventures (R76m)

### The balance comprises of

1. South African cash of R537m
2. International cash of R1 631m



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL POSITION



Rm	Dec 16	Jun 16	Variance
<b>Total assets</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Property, plant and equipment	2 105	2 189	(84)
Other non-current assets	2 834	3 906	(1 072)
Current assets	6 624	6 722	(98)
Cash and cash equivalents	2 168	2 813	(645)
<b>Assets classified as held-for-sale</b>	<b>2 190</b>	<b>2 335</b>	<b>(145)</b>
<b>Net assets classified as held-for-sale comprise</b>			
1. Infrastructure & Building businesses (R314m)			
2. Clough Properties (R33m)			
3. Genrec (R185m)			
<b>Liabilities classified as held-for-sale</b>	<b>1 659</b>	<b>1 890</b>	<b>(231)</b>
<b>Net cash</b>	<b>1 119</b>	<b>1 774</b>	<b>(655)</b>



# GROUP FINANCIALS

## STATEMENT OF FINANCIAL POSITION



Rm	Dec 16	Jun 16	Variance
<b>Total assets</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Property, plant and equipment	2 105	2 189	(84)
Other non-current assets	2 834	3 906	(1 072)
Current assets	6 624	6 722	(98)
Cash and cash equivalents	2 168	2 813	(645)
Assets classified as held-for-sale	2 190	2 335	(145)
<b>Total equity and liabilities</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
<b>Shareholders' equity</b>	<b>6 556</b>	<b>7 264</b>	<b>(708)</b>

### Decrease attributable to

1. Loss for the period ending December 2016 (-R60m)
2. Exchange differences on translating foreign operations (-R423m)
3. Dividend declared and paid (-R187m)
4. Share-based payment reserve and other movements (-R38m)



# GROUP FINANCIALS

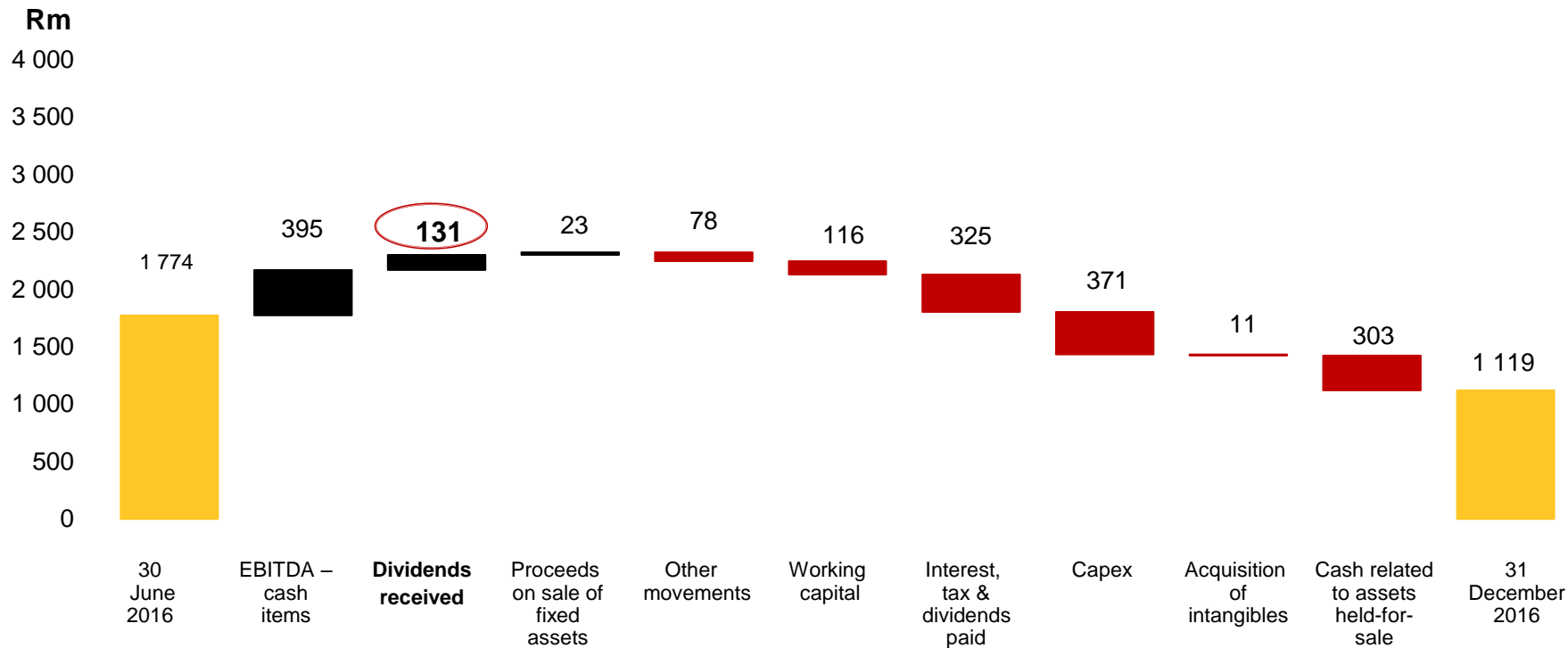
## STATEMENT OF FINANCIAL POSITION



Rm	Dec 16	Jun 16	Variance
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Assets classified as held-for-sale	2 190	2 335	(145)
<b>Total equity and liabilities</b>	<b>15 921</b>	<b>17 965</b>	<b>(2 044)</b>
Shareholders' equity	6 556	7 264	(708)
<b>Interest bearing debt - short term</b>	<b>352</b>	<b>389</b>	<b>(37)</b>
<b>- long term</b>	<b>697</b>	<b>650</b>	<b>47</b>

Increase in project related asset based financing offset by foreign currency translation movements

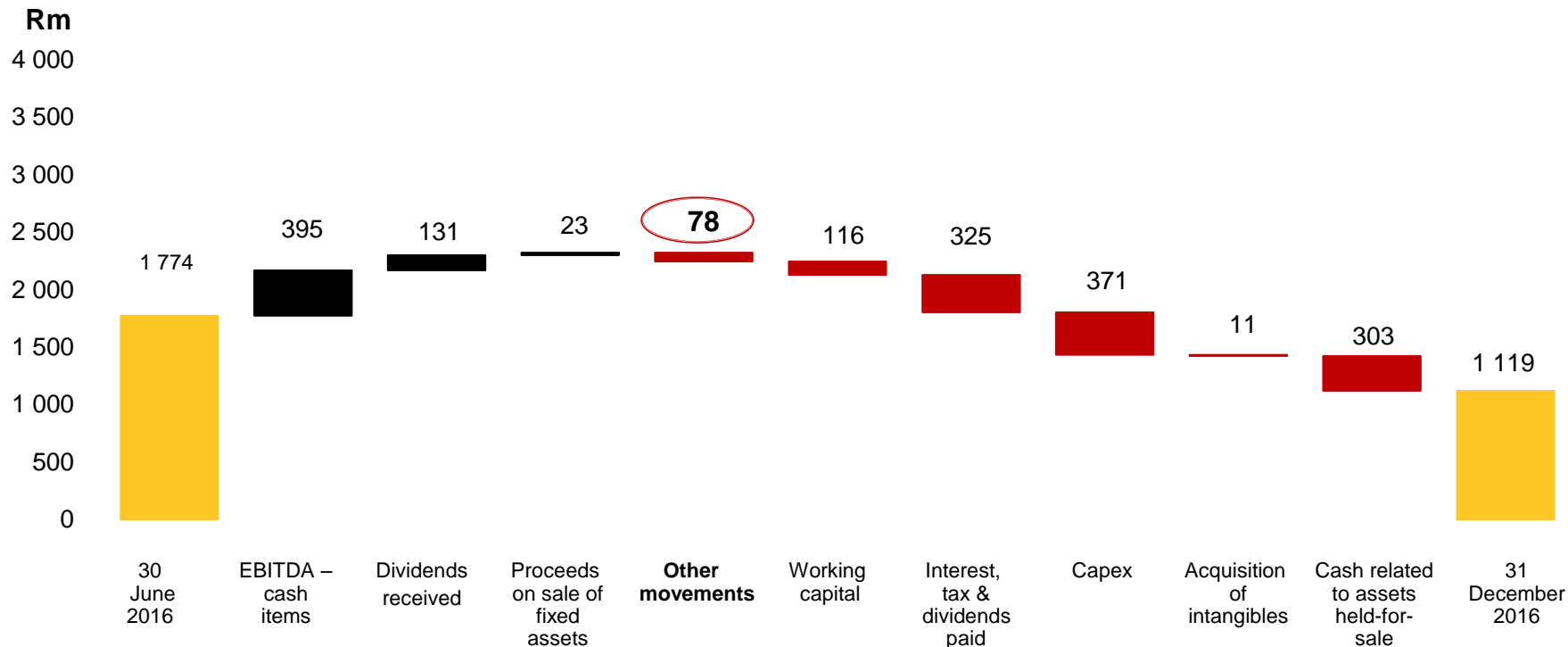




### Dividends received

1. Dividends received relate to Bombela Operating Company (R9m) and Bombela Concession Company (R122m)

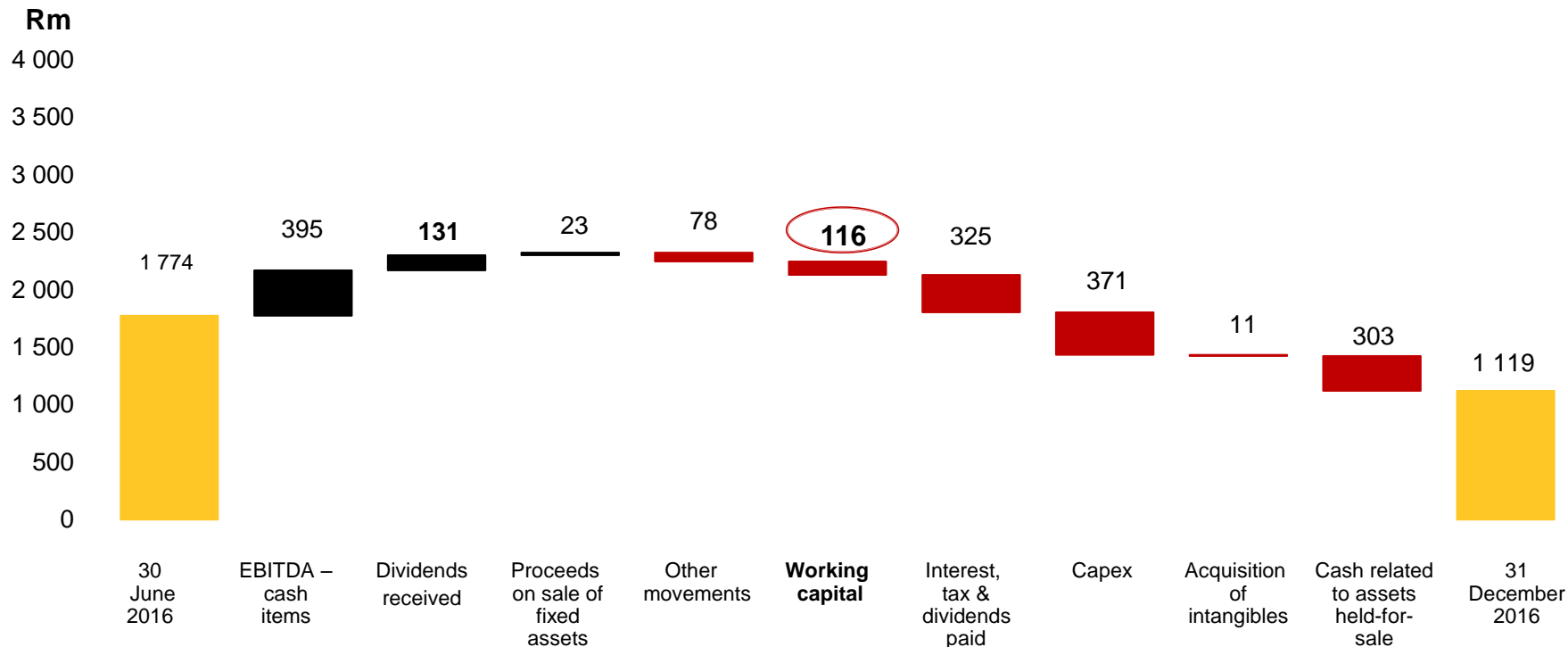




### Other movements

1. Increase in non-interest bearing debt from joint ventures (R76m)
2. Increase in project related asset based financing (R109m)
3. Increase interest bearing debt classified as held-for-sale (R48m)
4. Acquisition of treasury shares (-R64m)
5. Foreign currency translation movements on cash (-R245m)

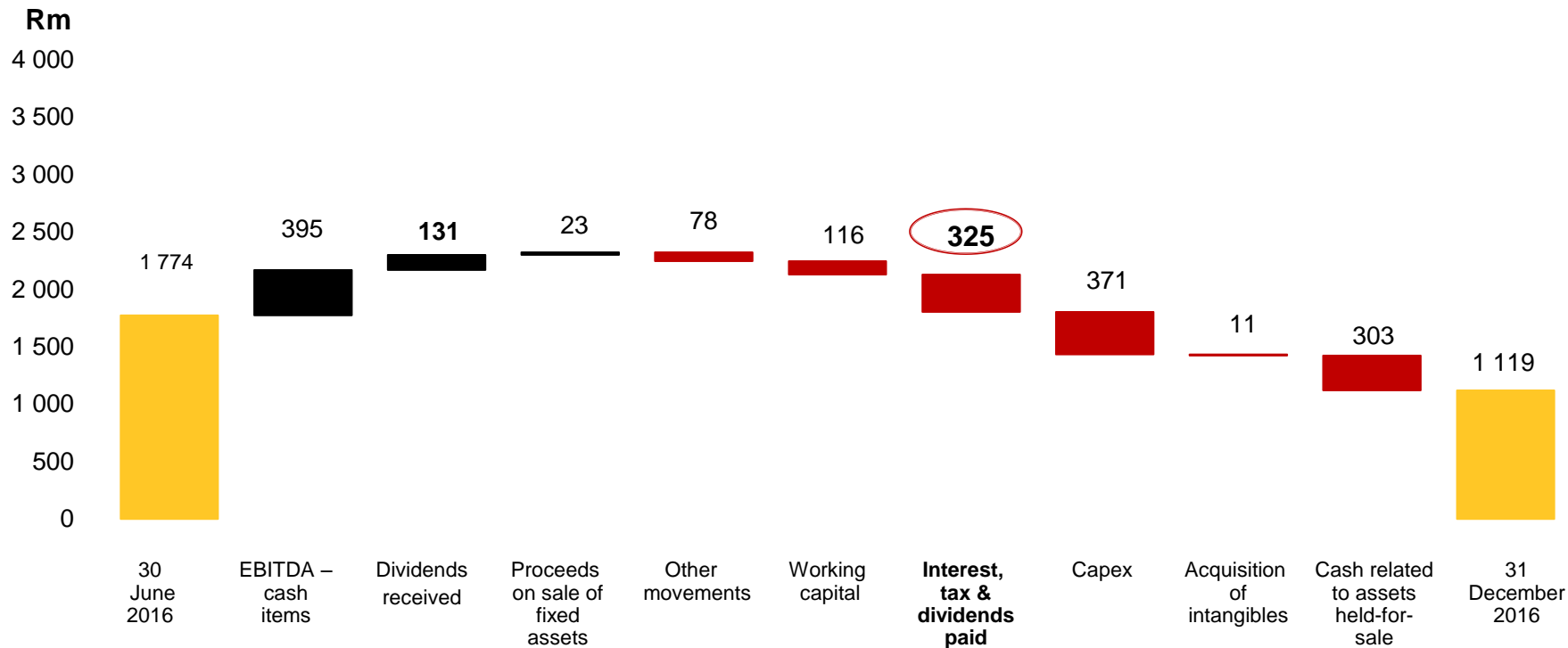




### Working capital outflows relate mainly to

1. Cash received from Gautrain claims settlement, offset by timing differences on working capital collections in Oil & Gas and Underground Mining

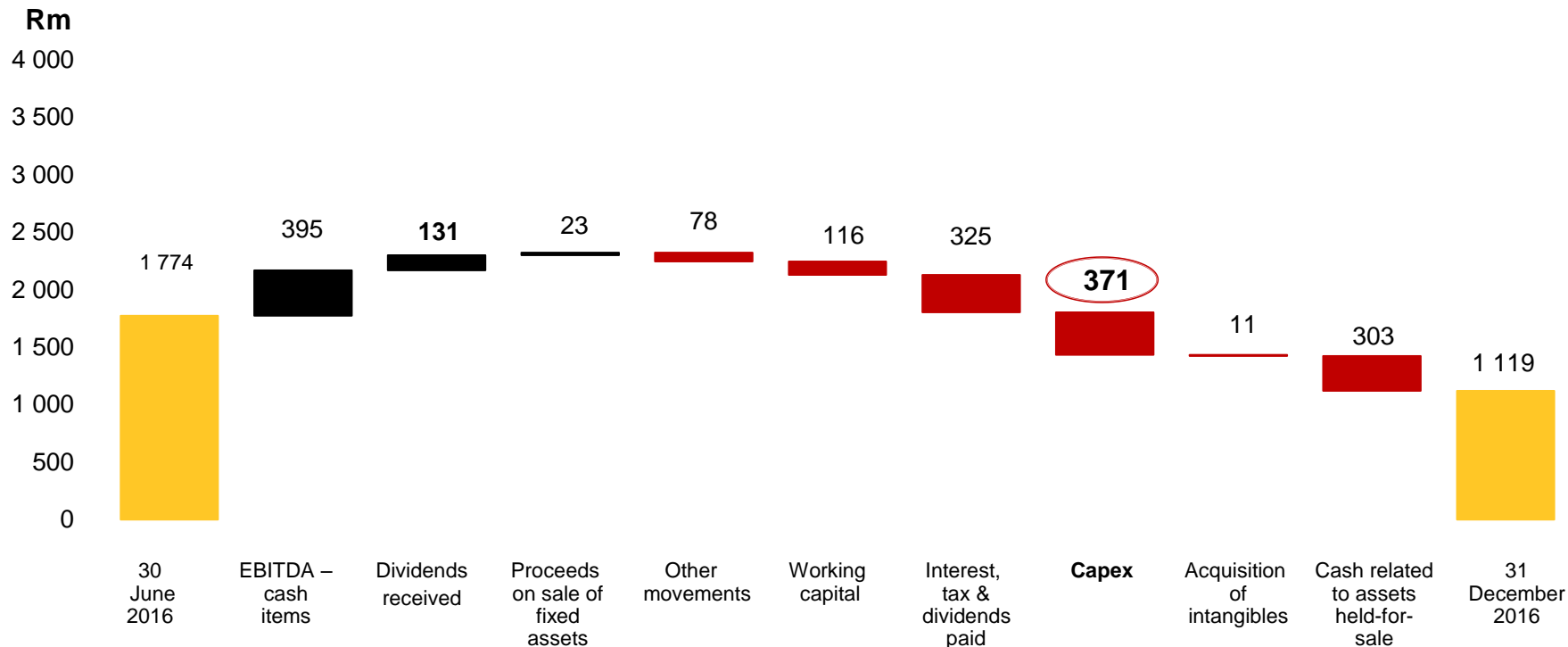




### Interest, tax and dividends comprise of

1. Net interest paid (R27m)
2. Tax paid (R111m)
3. Dividends paid to shareholders (R187m)





### Capex mainly relates to

1. Oil & Gas (R20m), of which 100% is expansion capex
2. Underground Mining (R279m), of which 73% is expansion capex
3. Power & Water (R28m), of which 85% is replacement capex
4. Infrastructure & Building (R41m), of which 85% is replacement capex



## Discontinued Operations

Rm	Tolcon and Construction Products Africa*		Clough Properties		I&B Businesses		Genrec Engineering		Total	
	2016	2015	2016	2015	2016	2015 <sup>1</sup>	2016	2015 <sup>1</sup>	2016	2015 <sup>1</sup>
Revenue	-	6	6	-	2 411	2 149	135	195	<b>2 522</b>	<b>2 350</b>
Operating profit / (loss)**	-	3	(2)	-	(139)	45	(23)	(52)	<b>(164)</b>	<b>(4)</b>
Trading (loss) / profit & other	-	(3)	(2)	-	37	45	(23)	(52)	<b>12</b>	<b>(10)</b>
VRP settlement charge	-	-	-	-	(170)	-	-	-	<b>(170)</b>	-
IFRS 2 charge	-	-	-	-	(6)	-	-	-	<b>(6)</b>	-
Net profit on sale of businesses	-	6	-	-	-	-	-	-	-	<b>6</b>

**The loss recognised by discontinued operations' is mainly attributable to the Voluntary Rebuild Programme settlement charge**

1. Present value charge of the Voluntary Rebuild Programme settlement of R170m
2. Profit recognised by Infrastructure & Building (R31m) is mostly offset by the Genrec loss (R23m)

\* Includes Tolcon, Construction Products Africa and Steel

\*\* Before tax, interest and non-controlling interests

<sup>1</sup> Restated for discontinued operations



## Corporate & Properties

Rm

Total

	2016	2015 <sup>1</sup>
Operating (loss)/profit	<b>(113)</b>	<b>141</b>
South African overheads	<b>(67)</b>	<b>(80)</b>
International overheads	<b>(2)</b>	<b>(6)</b>
Forex (loss)/profit	<b>(11)</b>	<b>233</b>
Share-based payments	<b>(20)</b>	<b>6</b>
Properties	<b>(13)</b>	<b>(12)</b>

**The decrease in operating results by R254m is mainly attributable to**

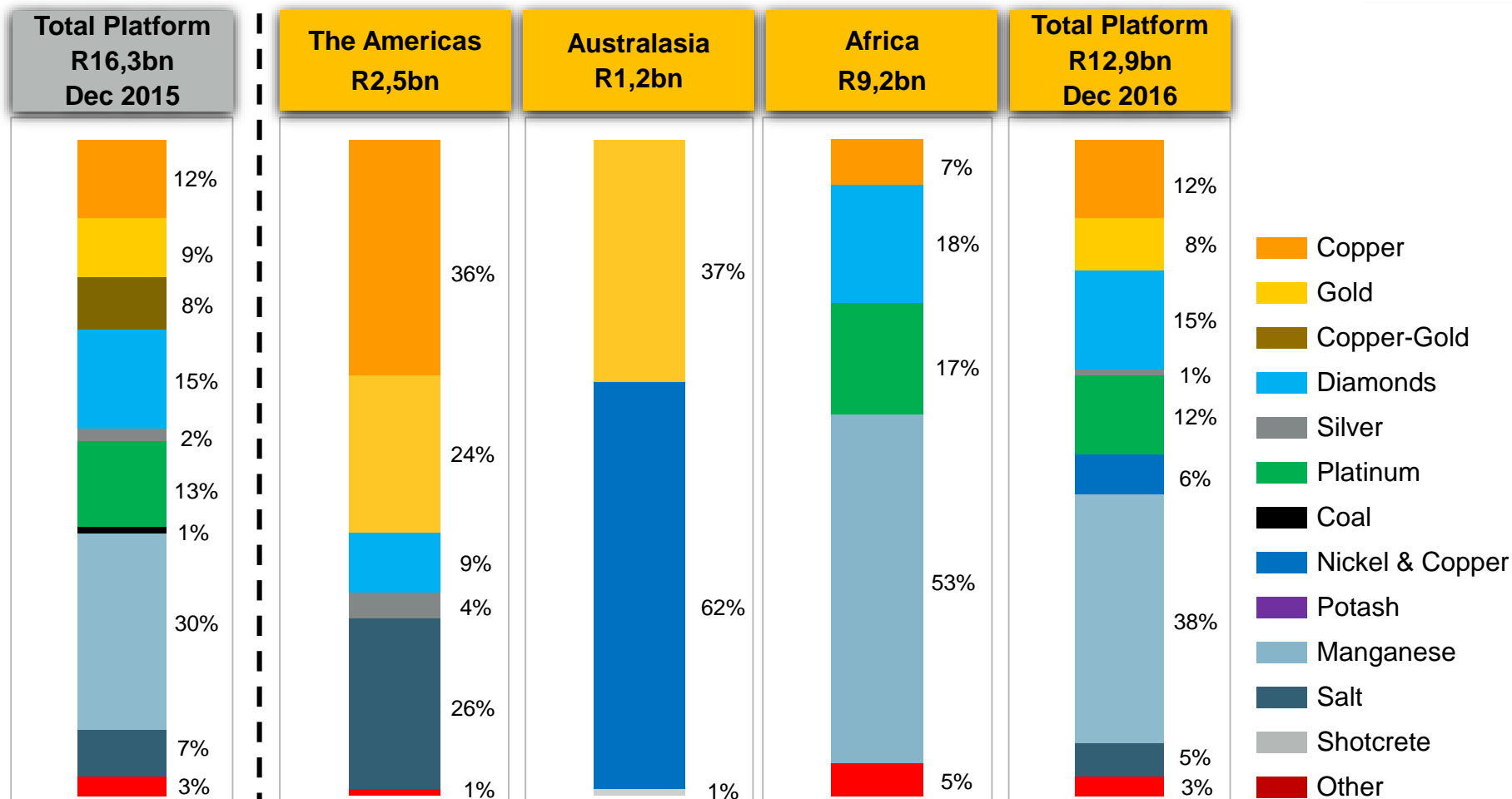
1. Saving on overheads due to cost saving initiatives
2. Foreign exchange losses on intercompany loans

<sup>1</sup> Restated for discontinued operations



# UNDERGROUND MINING PLATFORM

## COMMODITY ORDER BOOK BREAKDOWN %



1. Good spread of commodities in order book. Manganese in the Africa order book represents the Kalagadi project, yet to be commenced

This platform contains no exposure to opencast mining projects





# AMERICAN DEPOSITORY RECEIPTS

**Murray & Roberts has a sponsored Level 1 ADR programme (Since 2009)**

**Bloomberg ticker:** MURZY

**CUSIP:** 626805204

**Ratio: 1 ADR:** 1 Ordinary Share

**Exchange Traded:** Over-the-counter (OTC) market

**Depository bank:** Deutsche Bank Trust Company Americas

**Depository bank contact:** Jane Taylor

**ADR broker helpline:** +1 212 250 9100 (New York)

+44 207 547 6500 (London)

**E-mail:** [adr@db.com](mailto:adr@db.com)

**ADR website:** [www.adr.db.com](http://www.adr.db.com)

**Depository bank's local custodian:** Computershare, South Africa





# **MURRAY & ROBERTS GROUP**

## **VENETIA DIAMOND MINE, LIMPOPO PROVINCE**



**1902**  
John Murray arrives in South Africa and together with James Stewart forms Murray & Stewart



**1920s**  
Douglas Murray, John Murray's son, meets Andrew and Douglas Roberts while studying civil engineering



**1951**  
Roberts Construction Holdings lists on the Johannesburg Stock Exchange



**1970s**  
Murray & Roberts starts diversifying its fields of interest, moves into different industries and defines itself as an industrial holding company

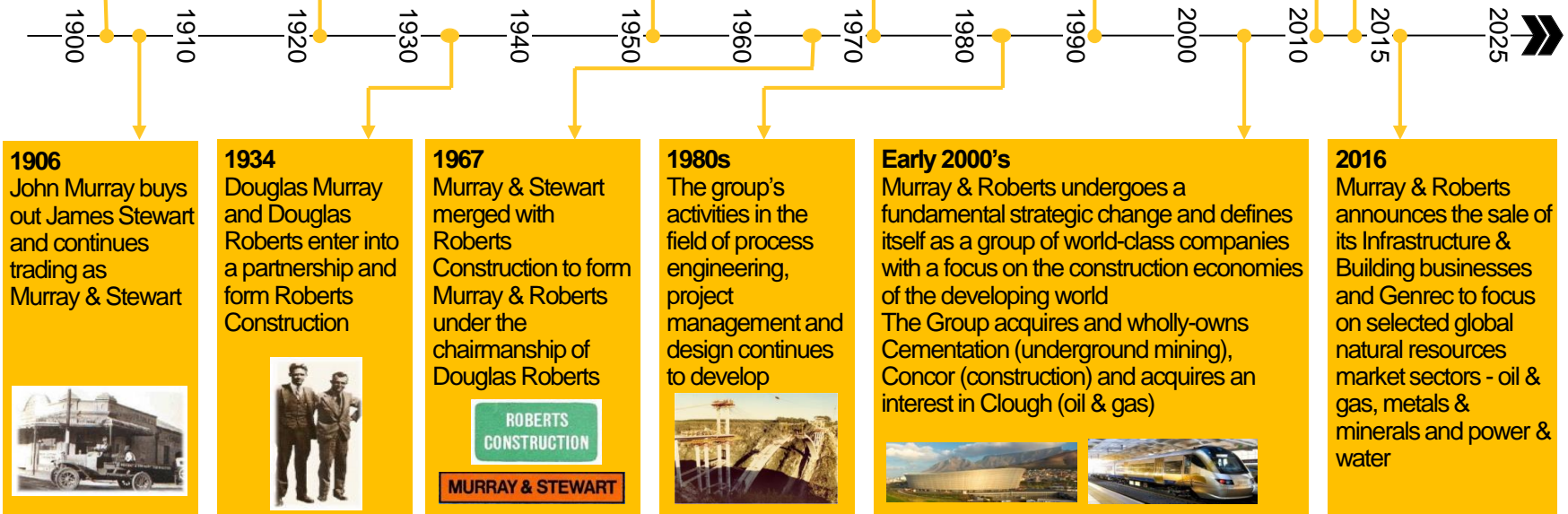


**1990s**  
Murray & Roberts commits to its major markets in South Africa and remains a highly diversified industrial Group

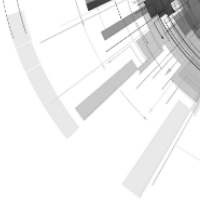


**2011 – 2014**  
A 3-year *Recovery & Growth* strategy is launched and the Group pursues a strategy of diversifying through the project value chain via strategic 'bolt-on' acquisitions

**2014 →**  
*A New Strategic Future* – by 2025, we strive to be a leading multinational group that applies our project lifecycle capabilities to optimise fixed capital investment







- Corporate Office
- Underground Mining

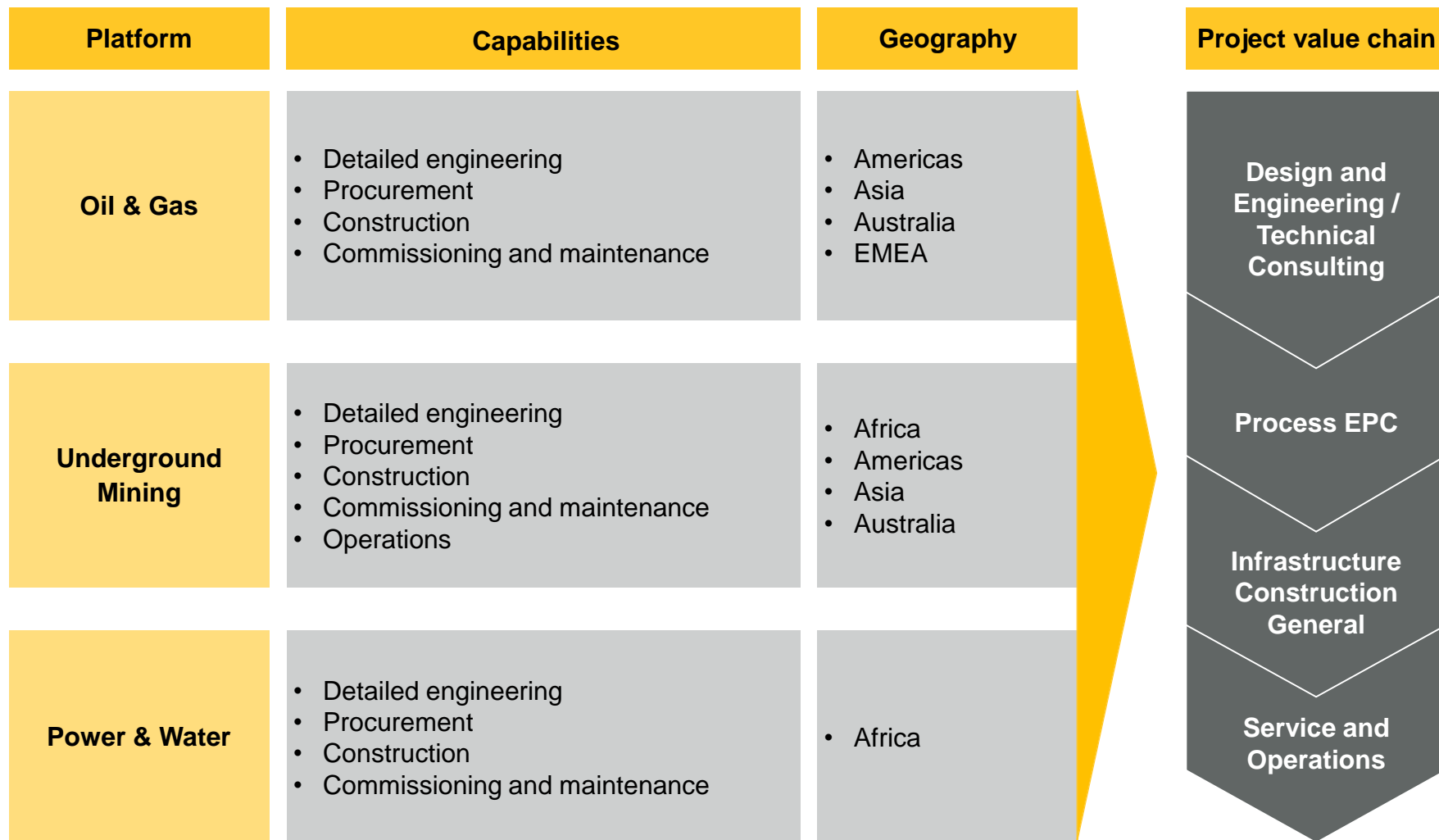
- Oil & Gas
- Power & Water

- A leading multinational group that applies its project lifecycle capabilities to optimise fixed capital investment
- Business platforms provide specialised and differentiated service offering across project lifecycle to clients in its target market sectors
- International diversification approach
  - Geographic positioning – permanent presence (offices) in regions with major opportunity in selected natural resources market segments
- Globally employing 17 000 people



# NEW STRATEGIC FUTURE – BUSINESS MODEL

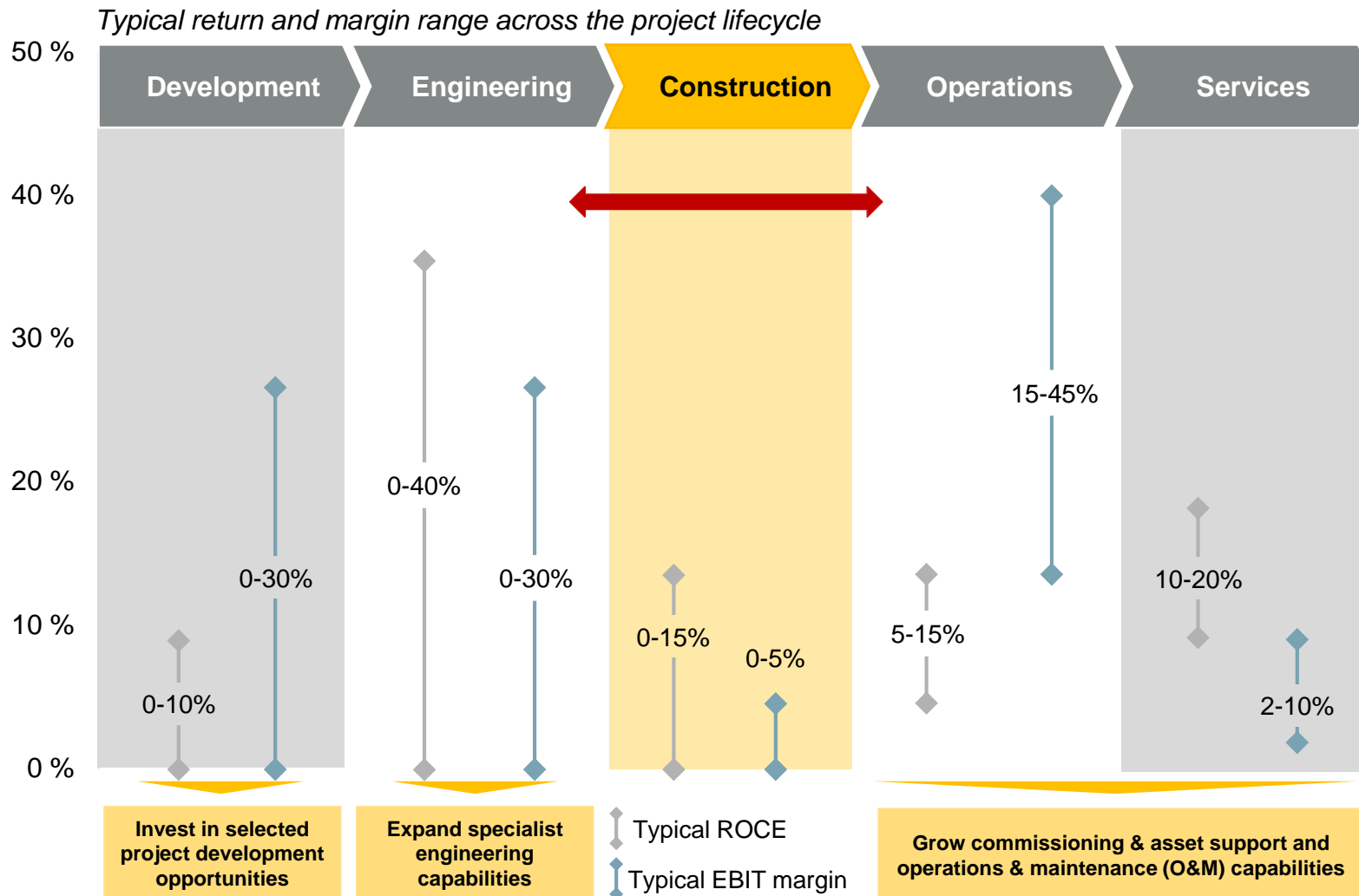
COMPREHENSIVE SERVICE OFFERING ACROSS PROJECT  
LIFECYCLE IN SELECTED NATURAL RESOURCES MARKETS





# NEW STRATEGIC FUTURE – PROJECT LIFE CYCLE

IMPROVED RETURNS THROUGH LIFE CYCLE DIVERSIFICATION &  
INCREASE CONTRIBUTION OUTSIDE CONSTRUCTION



Source: Annual reports, Bloomberg, BCG



## Oil & Gas



**BOOTH WELSH**  
Integrated Engineering Services



## Underground Mining



**Murray & Roberts  
Cementation**



## Power & Water



**Murray & Roberts  
Power & Energy**  
Engineers and Constructors



**Murray & Roberts  
Water**  
Engineers and Constructors







## **OIL & GAS**

The Oil & Gas platform works with some of the world's largest energy and resources companies to engineer, construct, commission and maintain a comprehensive range of infrastructure for energy, chemical, mining and mineral projects.

The platform operates from offices in Australia, South Africa, Scotland, the USA and Canada and comprises the following businesses: Clough (Perth), e2o (Adelaide), CMR Marine (Cape Town), Booth Welsh (Ayrshire) and CH-IV (Hanover, Maryland).

The platform comprises three primary divisions: Oil & Gas EPC, Oil & Gas Commissioning and Brownfields, and Infrastructure & Marine. The platform's full project lifecycle delivery model reduces risk and optimises safety, productivity and cost across every phase of a project.





**Clough** works with some of the world's largest companies to engineer, construct, commission and maintain a comprehensive range of facilities for oil and gas, metals and minerals, and infrastructure projects. The company's full project lifecycle delivery model reduces risk and optimises safety, productivity and cost across every phase of a project.



**Clough Enercore (Canada)** brings together leading engineering and project management contractor, Clough, with Canada's niche but renowned oil and gas EPCM contractor Enercore, to offer a fresh approach to contracting for the Canadian oil and gas sector.



**e2o** is Australia's leading multi-discipline commissioning contractor. The company provides an independent commissioning solution across the entire project lifecycle. This service plans and integrates commissioning requirements throughout the engineering, construction, start up and handover phases of the project.



**Booth Welsh (Scotland)** specialises in the provision of electrical, instrumentation and automation design, process consultancy, project management, implementation and commissioning services.



**CH-IV (USA)** provides consulting services to global LNG asset developers, regulators, facility owners, operators and lenders to ensure assets are designed, developed, constructed and operated safely and in accordance with codes, regulations, and the project's technical and commercial specifications.



**Clough Murray & Roberts Marine (CMR Marine)** utilises a global network of in-house engineering centres and productivity enhancing construction methods to design and construct the full spectrum of marine facilities for the oil and gas, mining, power and related sectors.



## UNDERGROUND MINING

The Underground Mining platform provides specialist engineering, construction and operational services in the underground mining environment to the global mining and metals sector. The platform comprises the following businesses: Murray & Roberts Cementation (Johannesburg); Cementation Canada (North Bay) Cementation USA (Salt Lake City); and RUC Cementation Mining (Perth).

Its geographic footprint is one of the largest globally, with a service offering that spans the project life cycle including specialist engineering, shaft construction, mine development, raise drilling and contract mining.





# UNDERGROUND MINING



**Cementation Canada & USA** is a leading provider of underground mining contracting and engineering services throughout North and South America. The company specialises in the design and construction of underground facilities including shaft, ramp accesses, mine development and raises, as well as large diameter raise drilling.



**Murray & Roberts  
Cementation**

**Murray & Roberts Cementation (Africa)** is a first-choice mining contractor providing the best value for mining development and contracting services. The company offers a comprehensive range of capabilities and services, from concept to commissioning, and is the reputed leader in exploration drilling, shaft sinking, tunnelling, contract mining, raisedrilling and specialised mining services (engineering and design), with a strong track record of successful mine project delivery.



**RUC Mining (Australasia)** is a shaft sinking and raise drilling specialist. RUC is based in Western Australia and operates in Australia and the Asia Pacific region. RUC's shaft sinking capability includes blind sinking and strip and line operations and offers a complete solution from installing shaft collars and excavating pre-sinks to main sinking and equipping large diameter shafts, in some of the most challenging environments in the world. The company has offices in Australia, Hong Kong, Indonesia and Mongolia.



**Merit** is based in Vancouver, Canada and provides project and construction management services. Committed to keeping the scope of a project in the "owner's control", Merit acts as an extension of a project owner's development team and assists in the selection and co-ordination of resources best suited to a particular project.





## **POWER & WATER**

The Power & Water platform, which is focused on engineering, procurement, construction and maintenance services, is playing a major role in building two of the world's largest coal-fired power stations in South Africa, Eskom's Medupi and Kusile Projects. The platform comprises three businesses: Aquamarine (Cape Town), Murray & Roberts Power & Energy (Johannesburg) and Murray & Roberts Water (Johannesburg).

The platform is structured as a project execution business in the power and water sectors, offering EPC, as well as operations and maintenance services. Murray & Roberts Water has the capability and expertise to undertake feasibility studies, design, supply equipment, construct, commission, operate and maintain water treatment plants in Africa, and to supply modular plants globally.



**Murray & Roberts Power & Energy** is the platform's engineering, procurement and construction ("EPC") projects implementer, adding unique value to the constructability, integration and ultimate performance of the projects it undertakes. Murray & Roberts Power & Energy offers the full spectrum of multi-disciplinary EPC services including piping, tanks farms & platework, mechanical, electrical, process equipment, structural steel & instrumentation. Murray & Roberts Power & Energy offers a comprehensive engineering and design service incorporating all the major engineering disciplines.

**Murray & Roberts Water** has the capability and expertise to design, supply equipment, construct, commission, operate and maintain water treatment plants in Africa. Services include: mine water treatment; sea water desalination; industrial effluent treatment; municipal water & waste water re-use and water supply for power generation infrastructure. These can be offered as large scale permanent plants or modular containerised plants with the option to scale up if necessary.

**Aquamarine** designs, manufactures and installs water treatment solutions. It offers a complete customised solution, including support for and maintenance of its installations. Aquamarine currently operates in a niche market for mainly small to-medium size installations and has developed a network of resellers throughout the African continent that serves as an extended business development network.







**MAHLAPE SELLO**  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
*Master of Arts in Law, LLB*



**DAVID (DAVE) DUNCAN BARBER**  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
*FCA, AMP*



**RALPH HAVENSTEIN**  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
*BCom, MSc Chem Eng*



**SURESH PARBHOO KANA**  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
*MCom, CA(SA)*



**XOLANI HUMPHREY MKHWANAZI**  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
*MSc PhD (Applied Physics)*



**NOMALIZO (NTOMBI) BERYL LANGA-ROYDS**  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
*Master of Arts in Law, LLB*



**KEITH SPENCE**  
INDEPENDENT NON-EXECUTIVE DIRECTOR  
*BSc (Geophysics)(Hons)*



**ANDRIES JACOBUS (COBUS) BESTER**  
GROUP FINANCIAL DIRECTOR  
*BCom (Acc) (Hons), CA(SA)*



**HENRY JOHANNES LAAS**  
GROUP CHIEF EXECUTIVE  
*BEng (Mining), MBA*

NON-EXECUTIVE DIRECTOR

EXECUTIVE DIRECTOR



# GROUP EXECUTIVE

## EXPERIENCED MANAGEMENT TEAM

### HENRY LAAS

BEng (Mining) MBA

32 years in sector

GROUP CHIEF  
EXECUTIVE

Henry joined in 2001 and was appointed to the Board and as Group chief executive in July 2011

### COBUS BESTER

BCom (Acc) Hons CA(SA)

27 years in sector

GROUP FINANCIAL  
DIRECTOR

Cobus joined in 2006 and was appointed to the Board as Group financial director in July 2011



**HENRY JOHANNES LAAS**  
GROUP CHIEF EXECUTIVE



**ANDRIES JACOBUS (COBUS) BESTER**  
GROUP FINANCIAL DIRECTOR

### PETER BENNETT\*

BE (Mech)

26 years in the sector

BUSINESS PLATFORM  
CEO

Peter joined the Group in 2016 and was appointed to the executive committee in January 2016

He is responsible for the Oil & Gas business platform

### ORRIE FENN

BSc (Hons) Eng MPhil  
Eng D Eng

34 years in the sector

BUSINESS PLATFORM  
CEO

Orrie joined and was appointed to the executive committee in 2009

He is responsible for the Underground Mining business platform

### STEVE HARRISON

HNDip (Min Proc),  
Associateship (Met Eng)

26 years in the sector

BUSINESS PLATFORM  
CEO

Steve joined the Group in 2011 and was appointed to the executive committee in September 2015

He is responsible for the Power & Water business platform



**PETER BENNETT**  
BUSINESS PLATFORM CEO



**ORRIE FENN**  
BUSINESS PLATFORM CEO



**STEVE HARRISON**  
BUSINESS PLATFORM CEO

### IAN HENSTOCK

BCompt (Hons) CA(SA)  
HDip Tax Law MBA

8 years in the sector

COMMERCIAL  
EXECUTIVE

### THOKOZANI MDLULI

BSc PBL MBL

21 years in the sector

HEALTH, SAFETY &  
ENVIRONMENT  
EXECUTIVE



**IAN HENSTOCK**  
COMMERCIAL EXECUTIVE



**THOKOZANI MDLULI**  
HEALTH, SAFETY AND ENVIRONMENT EXECUTIVE

GROUP CE & FD

BUSINESS PLATFORM LEADERSHIP

CORPORATE OFFICE SUPPORT

\* "Sector" is defined as the Engineering, Construction and Mining sectors.





# **REPORT TO STAKEHOLDERS**

**SIX MONTHS TO  
31 DECEMBER 2016**

This presentation is available on [www.murrob.com](http://www.murrob.com)