Murray & Roberts

Provisional Report
for the year ended 30 June 2014

Salient Features

- Lost time injury frequency rate improved to 0.80 (June 2013: 0.82), but regrettably four fatal incidents (June 2013: 2) were reported
- Revenue from continuing operations improved to R36 billion (June 2013: R34,2 billion^)
- Attributable earnings improved to R1,3 billion (June 2013: R1 billion)
- Diluted continuing HEPS improved to 205 cents (June 2013: 123 cents^)
- Order book of R40,9 billion (June 2013: R46,1 billion)
- Net cash of R1,8 billion (June 2013: R4,3 billion) after the Clough Limited ("Clough") minority acquisition in December 2013 of R4,4 billion
- NAV of R13 per share (June 2013: R16 per share) after the premium (goodwill) of R3,1 billion (R7 per share) associated with the Clough minority acquisition in December 2013 was written off against equity, as required in terms of IFRS.
- Resumption of dividend payments
- Successful conclusion of the Recovery & Growth strategy
- Settlement of GPMOF claim and realisation of additional income of R323 million
- Acquisition of Clough minority shares and delisting of Clough
- Sale of Construction Products businesses completed

Financial Highlights

Revenue up to **R36 billion**
(June 2013: R34,2 billion^)

Attributable earnings up to **R1,3 billion**
(June 2013: R1 billion)

Diluted continuing HEPS of **205 cents**
(June 2013: 123 cents^)

Diluted EPS of **305 cents**
(June 2013: 245 cents)

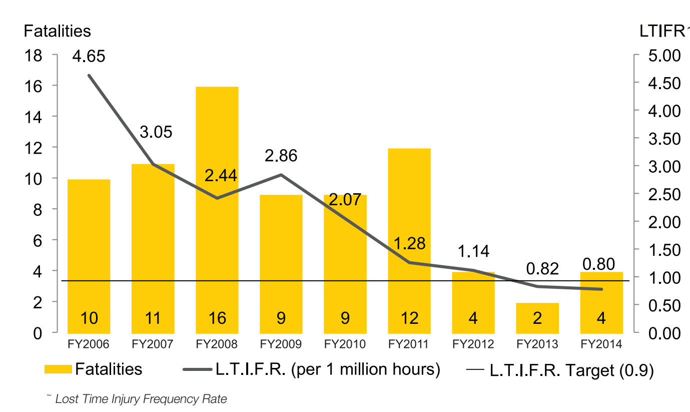
Net cash of to **R1,8 billion**
(June 2013: R4,3 billion)

NAV of **R13 per share**
(June 2013: R16 per share)

Dividend of **50 cents per share**
(June 2013: nil cents per share)

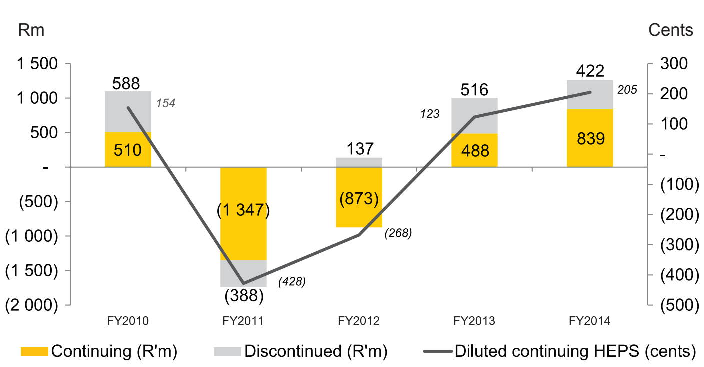
^ The prior year information has been restated for discontinued operations.

Safety performance



~ Lost Time Injury Frequency Rate

Diluted continuing HEPS and attributable earnings



Stop. Think. Act. 24/7

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A New Strategic Future

Over the last three years, during which it delivered its Recovery & Growth strategy, the Group restored financial stability and returned to profitability, re-organised and re-energised the businesses and resumed the dividend payment. The Group is now proceeding with its longer term plan to build a New Strategic Future. The board of directors of Murray & Roberts ("Board") recently approved the *New Strategic Future* plan, which will be shared with stakeholders in more detail as the plan unfolds.

By 2020 the Group aims to be a leading international diversified project engineering, procurement and construction group in selected natural resources market sectors. Specifically, the Group aims to grow in the oil and gas, mining, energy and industrial markets, where it is able to leverage its current capabilities.

The Group is an international, engineering-led contractor. In repositioning Murray & Roberts and its brand to more accurately describe the target market sectors in which the Group applies its core capability, the Group renamed its four operating platforms as follows:

- **Oil & Gas** (previously Construction Australasia Oil & Gas and Minerals)
- **Underground Mining** (previously Construction Global Underground Mining)
- **Energy & Industrial** (previously Engineering Africa)
- **Infrastructure & Building** (previously Construction Africa and Middle East)

In the financial year ahead, the Group will focus on consolidating the strong base for future growth that has been established through the successful delivery of its Recovery & Growth strategy.

Health and Safety

In FY2014 the Group's safety performance improved to a record-low lost time injury frequency rate ("LTIFR") of 0.80 (2013: 0.82), by driving the application of its health and safety framework and commitment to zero harm. Tragically, four fatalities (2013: 2) were recorded in FY2014: two in Infrastructure & Building platform, one in the Oil & Gas platform and one in the Underground Mining platform. The Board extends its condolences to the families of the deceased. Fatal workplace incidents are unacceptable and the Group remains committed to the prevention of all serious safety incidents.

During the year, the Group completed the first phase of its *Zero Harm Through Effective Leadership* programme, which emphasises the role of leadership in bringing about sustainable improvements in health and safety while driving a high-performance culture.

Financial Year to 30 June 2014

The graph^^ reflects diluted continuing HEPS from FY2010. Prior year earnings and continuing HEPS have been restated as a result of the classification of the Group's shareholding in Tolcon as held for sale.

In FY2014 the Group reported revenue of R36 billion (June 2013: R34,2 billion) and attributable earnings of R1,3 billion (June 2013: R1 billion). Diluted earnings per share was 305 cents (June 2013: 245 cents). Diluted continuing headline earnings per share was 205 cents (June 2013: 123 cents^), representing growth of 67%, compared to the last year.

At 30 June 2014, the net cash position was R1,8 billion (June 2013: R4,3 billion), after the Group acquired the minority shareholding in Clough for R4,4 billion in December 2013.

The Group's order book reduced to R40,9 billion (June 2013: R46,1 billion). The reduction is primarily due to the run-off in Clough's order book as the nature of its work is changing from longer term greenfields liquefied natural gas ("LNG") projects to shorter term brownfields projects.

Operating Performance**

OIL & GAS[1]

R millions	Engineering		Construction & Fabrication		Global Marine		Commissioning & Brownfields		Corporate overheads and Other[2]		Total	
June	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue	**4 794**	4 659	**7 096**	7 023	**2 466**	884	**2 013**	1 103	**1 111**	1 131	**17 480**	14 800
Operating profit/(loss)	**698**	660	**428**	411	**117**	37	**215**	101	**(432)**	293	**1 026**	1 502
Margin (%)	**15%**	14%	**6%**	6%	**5%**	4%	**11%**	9%	**(39%)**	26%	**6%**	10%
Order Book	**7 971**	6 267	**1 014**	6 758	**2 437**	3 782	**5 292**	3 786	**-**	-	**16 714**	20 593
People											**4 918**	6 343
Segment assets											**3 710**	3 478
Segment liabilities											**3 649**	4 070
LTIFR (Fatalities)											**0,35(1)**	0.2(0)

[1] The segmental classification was changed compared to the prior year, as a result the prior year comparatives have been restated.
[2] Operating profit includes R67 million transaction costs relating to the acquisition of the Clough non-controlling interests as well as R83 million onerous lease costs. Prior year operating profit includes R681 million profit on sale of Forge Group Limited ("Forge") disclosed under Corporate overheads and other.

The Board is pleased with the R4,4 billion acquisition of the minority shareholding in Clough in December 2013 and the strong financial results delivered in the period under review.

Financial Performance: This platform now comprises the following operations; Clough, e2o and several strategic joint ventures. Murray & Roberts Marine was incorporated into the Oil & Gas platform effective 1 July 2014.

Clough recorded an excellent financial result. Revenues increased by 18% to R17,5 billion (June 2013: R14,8 billion) and operating profit reached R1 026 million (June 2013: R1 502 million – which included R681 million profit on the disposal of Clough's investment in Forge). The order book decreased to R16,7 billion (June 2013: R20,6 billion). In Australia, the investment boom in new LNG projects is slowing down and transitioning to a brownfields operations and maintenance market, creating opportunities for Clough to secure new contracts for services on the projects it helped build. Consequently, the order book comprises smaller and shorter term contracts.

Operational Performance: Clough continues to deliver strong operational and financial results. The Clough AMEC Joint Venture signed a A$20 million Engineering, Procurement and Construction Management contract for Arrow Energy's Daandine Expansion Project and was awarded a contract for the engineering, detailed design and provision of procurement services for the Rio Tinto Cape Lambert Power Station project. BAM Clough's marine business continues to perform strongly and was recently awarded a A$109 million contract to construct Fortescue Metals Group's AP5 Jetty. The platform is preparing to extend its engineering service offering globally. In August 2014, Clough completed a US$5 million dollar strategic acquisition of CH-IV, a boutique engineering company based in the United States of America and highly regarded in micro, midscale and large scale LNG developments.

Prospects: Although Clough's order book has reduced, the outlook remains promising with work to continue on major LNG projects including Chevron's Gorgon and Wheatstone projects as well as INPEX's Ichthys and Shell's Arrow projects. Clough is also well positioned to increase its scope of work on these projects.

Significant coal seam gas ("CSG") greenfield expansion projects also exist on the east coast of Australia, where Clough has a strong presence and is currently performing pre-FEED engineering support work to Arrow's CSG project and is well positioned to win the FEED contract.

The successful completion of ExxonMobil's PNG LNG project has helped attract additional LNG investment into Papua New Guinea. Clough's successful 30-year track record in this region positions the company well to win future work in this region.

Gas will continue to be a growth sector globally, with investment shifting to new basins, including Africa and America. Through its work with some of the world's largest energy companies, Clough aims to follow its client's to new locations, while utilising Murray & Robert's global presence to facilitate entry into new regions.

UNDERGROUND MINING

R millions	Africa		Australasia		The Americas		Total	
June	2014	2013	2014	2013	2014	2013	2014	2013
Revenue	**3 111**	3 203	**699**	1 014	**2 818**	3 687	**6 628**	7 904
Operating profit/(loss)	**57**	(65)	**49**	85	**152**	298	**258**	318
Margin (%)	**2%**	(2%)	**7%**	8%	**5%**	8%	**4%**	4%
Segment assets	**1 060**	1 195	**636**	661	**1 415**	1 609	**3 111**	3 465
Segment liabilities	**987**	1 153	**127**	235	**637**	748	**1 751**	2 136
People	**6 157**	6 163	**492**	184	**1 037**	1 342	**7 686**	7 689
LTIFR (Fatalities)	**2,18(1)**	2.5(1)	**0,97(0)**	1.0(0)	**0,78(0)**	1.2(0)	**1,90(1)**	2.3(1)
Order Book	**6 157**	6 406	**556**	1 094	**3 225**	2 434	**9 938**	9 934

Financial Performance: This platform comprises the following operations; Murray & Roberts Cementation, Cementation Canada, Cementation USA, Cementation South America and RUC Cementation Mining.

Revenues decreased by 16% to R6,6 billion (June 2013: R7,9 billion) and operating profit of R258 million (June 2013: R318 million) was also down from the previous year. The order book was maintained at R9,9 billion (June 2013: R9,9 billion).

Operational Performance: Considering the recent subdued state of the commodity cycle, the platform is performing well and is showing strong growth potential in developing its order book in all main geographic areas off a relatively low base. Murray & Roberts Cementation has received its first major order from De Beers on the Venetia project to the value of R2,6 billion. Negotiations on the multi-billion Rand Kalagadi Manganese contract are continuing, where we have been appointed as the preferred bidder. The North American business now holds a strong order book after the two major awards, Kennecott Utah Copper (R600 million) and Lundin Eagle Nickel and Copper (R1,1 billion), received earlier this calendar year. In Australia, market conditions remained tough, impacting RUC Cementation Mining's order book. Tender activity in all other geographic regions is increasing, which is a good sign of market improvement.

Prospects: The platform anticipates an improvement in the global mining sector as demand for commodities increases. There is a large investment pipeline of underground projects in regions where the platform has a presence. With its global footprint, and the ability to pool and leverage its resources, the platform is well placed to win and execute work for its clients as market conditions improve. Most key commodities are represented in the current portfolio of projects, and significant opportunities for organic growth exist as mining activity picks up. Murray & Roberts Cementation progressed its Africa strategy through its Kitwe office in Zambia, enhancing its presence in Zambia and providing a springboard into sub-Saharan Africa.

ENERGY & INDUSTRIAL

R millions	Power Programme[3]		Engineering[4]		Total	
June	2014	2013	2014	2013	2014	2013
Revenue	**3 685**	4 008	**1 070**	1 028	**4 755**	5 036
Operating profit/(loss)	**238**	227	**(94)**	(90)	**144**	137
Margin (%)	**6%**	6%	**(9%)**	(9%)	**3%**	3%
Segment assets	**1 130**	1 328	**571**	509	**1 701**	1 837
Segment liabilities	**1 111**	1 233	**327**	453	**1 438**	1 686
People	**5 276**	6 243	**1 628**	898	**6 904**	7 141
LTIFR (Fatalities)	**0,89(0)**	0.7(0)	**0,44(0)**	0.2(0)	**0.8(0)**	0.5(0)
Order Book	**5 503**	5 890	**657**	580	**6 160**	6 470

[3] Power programme contracts and Genrec power programme contracts.
[4] Includes Electrical & Control Systems, Resources & Industrial, Water and Power & Energy non-power programme projects and Genrec non-power programme contracts.

Financial Performance: This platform comprises the following operations; Murray & Roberts Power & Energy (previously Murray & Roberts Projects), Murray & Roberts Resources & Industrial (previously Concor Engineering), Murray & Roberts Water, Murray & Roberts Electrical & Control Systems (previously Wade Walker) and Genrec.

Revenues decreased by 6% to R4,8 billion (June 2013: R5,0 billion) and operating profit improved to R144 million (June 2013: R137 million). The order book reduced to R6,2 billion (June 2013: R6,5 billion).

Operational Performance: The platform continues to be largely dependent on the Kusile and Medupi power station projects, whilst it is establishing a position in the broader local petrochemical, industrial engineering and renewables sectors. The platform is also targeting the industrial water sector and it recently secured its second mine water treatment contract, for a blue chip mining client in Ghana. Murray & Roberts Resources & Industrial and Murray & Roberts Electrical & Control Systems have recently been consolidated under a single management team to optimise overhead costs. Significant strategic partnerships have been established to enable specific technologies and solutions to be offered to the market.

Prospects: The key prospects in the short term lie in the renewable energy programme and Murray & Roberts Power & Energy has established good relationships to access a fair share of work on available projects. The power programme on Medupi and Kusile still offers opportunities for most of the businesses and accessing these opportunities remains a priority. Further power sector work in the management of assets, either as maintenance, outage management and execution or operations, can deliver opportunity for all the platform businesses.

Although project wins in the industrial water market have been few, a good foothold has been established in certain water treatment opportunities by securing the front end engineering packages. Returning to increased involvement in the petrochemical market presents some immediate opportunities. The platform is particularly qualified to operate in this sector as it is able to bring its significant power programme experience and lessons learnt to a market with similar skill set requirements.

INFRASTRUCTURE & BUILDING

R millions	Construction Africa		Marine		Middle East		Total	
June	2014	2013[5]	2014	2013	2014	2013	2014	2013[5]
Revenue	**5 740**	5 605	**496**	288	**940**	575	**7 176**	6 468
Operating (loss)/profit	**(189)**	(89)	**302**	51	**83**	(47)	**196**	(85)
Margin (%)	**(3%)**	(2%)	**61%**	18%	**9%**	(8%)	**3%**	(1%)
Segment assets	**3 172**	3 677	**432**	915	**2 001**	1 823	**5 605**	6 415
Segment liabilities	**2 542**	2 458	**198**	643	**1 988**	2 070	**4 728**	5 171
People	**5 581**	6 603	**152**	53	**94**	106	**5 827**	6 762
LTIFR (Fatalities)	**0,87(2)**	0.9(0)	**0(0)**	0(0)	**0(0)**	0.3(0)	**0.5(2)**	0.7(0)
Order Book	**5 881**	7 053	**125**	269	**2 073**	1 394	**8 079**	8 716

[5] Restated for discontinued operations.

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

Revenues increased by 11% to R7,2 billion (June 2013: R6,5 billion) and operating profit of R196 million (June 2013: R85 million loss) was recorded. The order book reduced to R8,1 billion (June 2013: R8,7 billion).

Operational Performance: The platform has returned to profitability, albeit at low margins as the South African construction sector continues to be extremely competitive. The platform continues to seek value and improve on operational excellence. The Middle East secured two new projects in the year under review, a mixed-use residential development in Abu Dhabi (R700 million) and a design and build project in Qatar (R320 million). These were the first new project awards since 2010. The platform's growth into Africa (beyond SADC) is being pursued.

Prospects: The platform has a sizeable order book in a market which remains highly competitive with low profit margins.

The South African market in general remains subdued, with pockets of activity in buildings and infrastructure. The platform is well positioned as preferred bidder to implement civil infrastructure work on three wind farms in the new financial year. Several opencast mining opportunities have been identified in South Africa and elsewhere in Africa, but these are yet to come to market.

The Namibian buildings market is buoyant and in contrast, the market in Botswana is depressed presenting little opportunity in the short term. Building activity in the Middle East has increased modestly.

DISPOSAL OF NON-CORE ASSETS:

R millions	Tolcon		Steel Reinforcing Products		Clough Marine Services & Properties		Properties SA		Construction Products[7]		Total	
June	2014	2013	2014	2013[6]	2014	2013	2014	2013	2014	2013	2014	2013[6]
Revenue	**414**	366	**113**	621	**12**	56	**2**	4	**1 484**	3 957	**2 025**	5 004
Operating profit/(loss)	**50**	58	**47**	(28)	**(45)**	(12)	**6**	3	**522**	387	**580**	408
Trading profit/(loss)	**50**	58	**47**	(47)	**(45)**	(12)	**6**	3	**(17)**	267	**41**	269
Net profit on sale of businesses	**-**	-	**-**	19	**-**	-	**-**	-	**539**	120	**539**	139
Margin (%)	**12%**	16%	**42%**	(5%)	**(375%)**	(21%)	**300%**	75%	**35%**	10%	**29%**	8%
Order book	**-**	-	**-**	-	**-**	-	**-**	-	**-**	374	**-**	374

[6] 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.
[7] Includes Hall Longmore, Rocla, Much Asphalt, Technicrete, Ocon Brick and UCW (only in 2013).

As announced on 7 August 2014, Murray & Roberts has entered into an agreement of sale for its shareholding in Tolcon. This agreement, which supports the Group's focus on its core capabilities of engineering and construction, is subject to Competition Commission and other approvals. The agreement excludes the investments in the Bombela Concession and Bombela Operating Companies and also Chapman's Peak's Entilini Concession and its Operating Companies – the Group's Concessions businesses are not part of Tolcon. Stakeholders will be updated on the outcome of the transaction in due course.

Update on the Group's Major Claims Processes

In favour of the Group:
Gorgon Pioneer Materials Offloading Facility ("GPMOF") – Murray & Roberts announced on 9 June 2014 that the Company had reached a financial settlement with Boskalis Australia (Pty) Ltd in respect of its GPMOF major claim. The parties negotiated a settlement on all claims and counter claims and the agreement provides for two cash payments, end-June 2014 and end-September 2014. The uncertified revenue taken to book on GPMOF during previous financial years has now been certified. This settlement achieved additional income of R323 million.

Gautrain Sandton Cavern Claim – The merits of this claim was ruled by the arbitrator in favour of the Bombela Civils Joint Venture (45% shareholding in the Bombela Civils Joint Venture) in October 2013. The quantum hearing is scheduled for May 2015.

Against the Group:
Gautrain Water Ingress Dispute – In November 2013 an arbitration award was made in favour of the Gauteng Province, in the Gautrain water ingress dispute between the Gauteng Province and the Bombela Concession Company. Based on an assessment by a panel of technical experts and design consultants who were appointed to perform a technical evaluation of the potential remedial work that may be required, the Company recorded a R300 million provision for its share of potential costs to be incurred by the Bombela Civils Joint Venture. The amount of any other potential financial compensation, if any, related to the matter cannot be determined.

In arbitration:
Gautrain Delay & Disruption Claim – This is by far the largest element of the Gautrain claims. The legal process on this multi-billion rand claim is progressing. The claim is not expected to be settled sooner than 2016. Any award will attract interest dating from 2009 to the date of award.

Dubai International Airport – The arbitration for the Dubai International Airport claim is ongoing and the claim is expected to be resolved during the 2015 calendar year. Freshfields, an international law firm, has recently been appointed to lead the legal process in this claim resolution process.

Uncertified Revenues

Total uncertified revenue, largely represented by the Group's outstanding major claims on Gautrain Delay & Disruption and Dubai International Airport, reduced to R1,6 billion (June 2013: R2,1 billion). The reduction in uncertified revenue is mainly attributable to the settlement of the GPMOF claim.

The Group's uncertified revenue on the projects mentioned above is conservatively lower than the estimated value of its claims.

Competition Commission

The Group rejects any form of anti-competitive behaviour.

The five remaining historical incidents of collusive conduct, excluded from the concluded Fast-Track Settlement Process ("FTSP"), have been settled with the Competition Commission ("Commission"). The penalty on these transgressions is not material compared to the penalty imposed on the conclusion of the FTSP. The Group provided for this penalty in the FY2013 accounts. The Group will disclose full details to stakeholders as soon as all administrative processes with the Commission have been concluded.

Six former directors of subsidiary companies were implicated in the Commission's investigation. These persons are no longer employed by the Group; the last of whom left in 2010. Murray & Roberts is in the process of taking action against these former executives.

Dividend Declaration

Attention is drawn to the formal dividend announcement contained herein. In terms of the Company's Dividend Policy, the Board has declared a gross annual dividend of 50 cents per ordinary share (The Company has sufficient STC credits and consequently no withholding tax will be deducted) in respect of the year ended 30 June 2014.

The dividend has been declared from income reserves.

In terms of the Dividends Tax effective 1 April 2012, the following additional information is disclosed:
- The dividend is subject to dividend withholding tax of 15%. In determining dividend withholding tax, STC credits must be taken into account.
- The STC credits utilised per share amount to 50 cents per share. The net dividend will be 50 cents per share as the Company has sufficient STC credits to the value of 50 cents per share to offset the 15% withholding tax in full for those shareholders who are not exempt from dividend withholding tax.
- The number of shares in issue at the date of this declaration is 444 736 118 and the company's tax reference number is 9000203712.

In order to comply with the requirements of Strate, the relevant details are:

Event	Date
Last day to trade (cum-dividend)	Friday, 3 October 2014
Shares to commence trading (ex-dividend)	Monday, 6 October 2014
Record date (date shareholders recorded in books)	Friday, 10 October 2014
Payment date	Monday, 13 October 2014

No share certificates may be dematerialised between Monday, 6 October 2014 and Friday, 10 October 2014, both dates inclusive.

On Monday, 13 October 2014 the dividend will be electronically transferred to the bank accounts of all certificated shareholders where this facility is available. No dividend cheques will be paid to shareholders who have not provided their banking details to the transfer secretaries: Link Market Services. Accordingly, the cash dividend will remain unpaid until such time as the shareholder has provided their relevant banking details to the transfer secretary, to receive the cash dividend by electronic funds transfer. No interest will be paid for unpaid dividends.

Changes to the Board

Ms. Thenjiwe Chikane resigned from the Board on 20 August 2013. Mr. Michael McMahon was appointed to the Audit & Sustainability Committee on 18 September 2013 and Mr. Bert Kok was appointed as the company secretary on 26 February 2014, succeeding Mrs. Rentia Joubert.

Subsequent to year end, Mr. Ralph Havenstein was appointed as an independent non-executive director and member of the Health, Safety & Environment Committee and Social & Ethics Committee, with effect from 1 August 2014. Further appointments are planned.

Prospects Statement

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

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

On behalf of the directors:

Mahlape Sello	Henry Laas	Cobus Bester
Chairman of the Board	Group Chief Executive	Group Financial Director

Bedfordview
27 August 2014

^ The prior year information has been restated for discontinued operations.
^^ The restated information for FY2010, FY2011 and FY2012 is the responsibility of the Board and has been presented for illustrative purposes only. This information has not been reviewed or reported on by the Group's external auditors.
*** The operating performance information disclosed has been extracted from the Group's operational reporting systems. The "LTIFR" information has not been subject to a review by the Group's auditors. The Corporate & Properties segment is excluded from the operational analysis. Unless otherwise noted, all comparisons are to the Group's performance as at and for year ended 30 June 2013.*

Summarised consolidated statement of financial performance
for the year ended 30 June 2014

R millions	Audited Annual 30 June 2014	Audited[5] Annual 30 June 2013
Continuing operations		
Revenue	36 039	34 209
Profit before interest, depreciation and amortisation	2 241	2 377
Depreciation	(685)	(703)
Amortisation of intangible assets	(23)	(25)
Profit before interest and taxation (note 2)	1 533	1 649
Net interest expense	(58)	(117)
Profit before taxation	1 475	1 532
Taxation	(499)	(529)
Profit after taxation	976	1 003
Income from equity accounted investments	1	165
Profit from continuing operations	977	1 168
Profit from discontinued operations (note 3)	423	302
Profit for the year	1 400	1 470
Attributable to:		
– Owners of Murray & Roberts Holdings Limited	1 261	1 004
– Non-controlling interests	139	466
	1 400	1 470
Earnings per share from continuing and discontinued operations (cents)		
– Diluted	305	245
– Basic	310	247
Earnings per share from continuing operations (cents)		
– Diluted	203	174
– Basic	206	175
Net asset value per share (Rands)	13	16
Dividends per share (cents)	50	–
Supplementary statement of financial performance information		
Number of ordinary shares in issue ('000)	444 736	444 736
Reconciliation of weighted average number of shares in issue ('000)		
Weighted average number of ordinary shares in issue	444 736	444 736
Less: Weighted average number of shares held by The Murray & Roberts Trust	(331)	(3 189)
Less: Weighted average number of shares held by the Letsema BBBEE trusts	(31 770)	(31 863)
Less: Weighted average number of shares held by the subsidiary companies	(6 167)	(2 809)
Weighted average number of shares used for basic per share calculation	406 468	406 875
Add: Dilutive adjustment for share options	7 592	3 813
Weighted average number of shares used for diluted per share calculation	414 060	410 688
Headline earnings per share from continuing and discontinued operations (cents) (note 4)		
– Diluted	217	186
– Basic	221	188
Headline earnings per share from continuing operations (cents) (note 4)		
– Diluted	205	123
– Basic	208	124

[5] *Restated for discontinued operations.*

Summarised consolidated statement of comprehensive income
for the year ended 30 June 2014

R millions	Audited Annual 30 June 2014	Audited Annual 30 June 2013
Profit for the year	1 400	1 470
Items that will not be reclassified subsequently to profit or loss:		
Effects of remeasurements on retirement benefit obligations	(4)	-
Other movements	3	-
Items that may be reclassified subsequently to profit or loss:		
Effects of cash flow hedges	(1)	14
Taxation related to effects of cash flow hedges	-	(4)
Exchange differences on translating foreign operations	165	190
Total comprehensive income for the year	1 563	1 670
Attributable to:		
– Owners of Murray & Roberts Holdings Limited	1 357	1 116
– Non-controlling interests	206	554
	1 563	1 670

Summarised consolidated statement of financial position
at 30 June 2014

R millions	Audited Annual 30 June 2014	Audited[6] Annual 30 June 2013
ASSETS		
Non-current assets	7 323	7 162
Property, plant and equipment	3 248	3 055
Goodwill	486	488
Deferred taxation assets	427	657
Investments in associate companies	24	34
Amounts due from contract customers (note 5)	2 088	2 003
Other non-current assets	1 050	925
Current assets	12 082	15 591
Inventories	326	349
Trade and other receivables	1 766	2 022
Amounts due from contract customers (note 5)	5 684	6 876
Current taxation assets	5	60
Cash and cash equivalents	4 301	6 284
Assets classified as held-for-sale	406	1 774
TOTAL ASSETS	19 811	24 527
EQUITY AND LIABILITIES		
Total equity	5 932	8 698
Attributable to owners of Murray & Roberts Holdings Limited	5 905	7 041
Non-controlling interests	27	1 657
Non-current liabilities	1 908	1 958
Long term liabilities[8]	455	534
Long term provisions	324	239
Deferred taxation liabilities	142	151
Other non-current liabilities	987	1 034
Current liabilities	11 872	13 210
Amounts due to contract customers (note 5)	2 326	3 406
Accounts and other payables	7 392	7 830
Current taxation liabilities	90	545
Bank overdrafts[8]	24	898
Short term loans[8]	2 040	531
Liabilities directly associated with assets classified as held-for-sale	99	661
TOTAL EQUITY AND LIABILITIES	19 811	24 527

[6] *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.*
[8] *Interest-bearing borrowings.*

Summarised consolidated statement of cash flows
for the year ended 30 June 2014

R millions	Audited Annual 30 June 2014	Audited[6] Annual 30 June 2013
Cash generated from operations	1 776	2 045
Interest received	169	142
Interest paid	(220)	(265)
Taxation paid	(794)	(271)
Operating cash flow	931	1 651
Dividends paid to owners of Murray & Roberts Holdings Limited	(12)	(9)
Dividends paid to non-controlling interests	(3)	(81)
Cash flow from operating activities	916	1 561
Acquisition of business	-	(84)
Dividends received from associate companies	11	71
Purchase of intangible assets other than goodwill	(82)	(21)
Purchase of property, plant and equipment by discontinued operations	(24)	(42)
Purchase of property, plant and equipment	(961)	(1 089)
– Replacements	(290)	(321)
– Additions	(671)	(768)
Proceeds on disposal of property, plant and equipment	152	129
Proceeds on disposal of businesses (note 7)	1 345	403
Proceeds on disposal of assets held-for-sale	58	143
Advance payment in respect of property disposals	-	45
Proceeds on disposal of investment in associate	-	1 784
Repayment of investment in associate loan	-	4
Cash related to equity accounted joint ventures held-for-sale	-	(4)
Cash related to disposal of businesses	(16)	(74)
Cash related to assets held-for-sale	28	(23)
Proceeds from realisation of investment	146	132
Other (net)	(3)	3
Cash flow from investing activities	654	1 377
Net increase/(decrease) in borrowings	1 284	(1 189)
Treasury shares (acquisitions)/disposals (net)	(21)	4
Proceeds on share issue to non-controlling interests	6	5
Acquisition of Clough non-controlling interests (note 7)	(4 395)	-
Repayment of non-controlling interest shareholding	-	(2)
Cash flow from financing activities	(3 126)	(1 182)
Net (decrease)/increase in cash and cash equivalents	(1 556)	1 756
Net cash and cash equivalents at beginning of year	5 386	3 349
Effect of foreign exchange rates	447	281
Net cash and cash equivalents at end of year	4 277	5 386
Net cash and cash equivalents comprises of:		
Cash and cash equivalents	4 301	6 284
Bank overdrafts	(24)	(898)
Net cash and cash equivalents at end of year	4 277	5 386

Summarised consolidated segmental analysis
for the year ended 30 June 2014

R millions	Audited Annual 30 June 2014	Audited[5,6] Annual 30 June 2013
Revenue[12]		
Infrastructure & Building	7 176	6 468
Energy & Industrial	4 755	5 036
Underground Mining	6 628	7 904
Oil & Gas	17 480	14 800
Corporate & Properties	-	1
Continuing operations	36 039	34 209
Discontinued operations	2 025	5 004
	38 064	39 213
Continuing operations		
Profit before interest and taxation[13]		
Infrastructure & Building	196	(85)
Energy & Industrial	144	137
Underground Mining	258	318
Oil & Gas[14]	1 026	1 502
Corporate & Properties	(91)	(223)
Profit before interest and taxation	1 533	1 649
Net interest expense	(58)	(117)
Profit before taxation	1 475	1 532
Discontinued operations		
Profit before interest and taxation[13]	580	408
Net interest income/(expense)	7	(6)
Profit before taxation	587	402

[12] *Revenue is disclosed net of inter-segmental revenue. Inter-segmental revenue for the Group is R69 million (2013: R169 million).*
[13] *The chief operating decision maker utilises profit/(loss) before interest and taxation in the assessment of a segment's performance.*
[14] *Operating profit includes R67 million transaction costs relating to the acquisition of the Clough non-controlling interests. Prior year operating profit includes R681 million profit on sale of Forge.*

Segmental assets
at 30 June 2014

R millions	Audited Annual 30 June 2014	Audited[6] Annual 30 June 2013
Infrastructure & Building[15]	5 605	6 415
Energy & Industrial	1 701	1 837
Construction Products Africa	249	2 097
Underground Mining	3 111	3 465
Oil & Gas	3 710	3 478
Corporate & Properties	702	234
	15 078	17 526
Reconciliation of segmental assets		
Total assets	19 811	24 527
Deferred taxation assets	(427)	(657)
Current taxation assets	(5)	(60)
Cash and cash equivalents	(4 301)	(6 284)
	15 078	17 526

Segmental liabilities
at 30 June 2014

R millions	Audited Annual 30 June 2014	Audited[6] Annual 30 June 2013
Infrastructure & Building[15]	4 728	5 171
Energy & Industrial	1 438	1 686
Construction Products Africa	82	775
Underground Mining	1 751	2 136
Oil & Gas	3 649	4 070
Corporate & Properties	1 975	397
	13 623	14 235
Reconciliation of segmental liabilites		
Total liabilities	13 879	15 829
Deferred taxation liabilities	(142)	(151)
Current taxation liabilities	(90)	(545)
Bank overdrafts	(24)	(898)
	13 623	14 235

[15] *Infrastructure & Building includes amounts for Tolcon that have been classified as discontinued operations in the current year.*

Summarised consolidated statement of changes in equity
for the year ended 30 June 2014

R millions	Stated capital	Other reserves	Retained earnings	Attributable to owners of Murray & Roberts Holdings Limited	Non-controlling interests	Total
Balance at 30 June 2012 (Audited)	2 710	625	2 552	5 887	1 215	7 102
Total comprehensive income for the year	-	112	1 004	1 116	554	1 670
Treasury shares disposed (net)	4	-	-	4	-	4
Repayment of non-controlling interest shareholding	-	-	-	-	(2)	(2)
Net movement in non-controlling interests loans	-	-	-	-	(39)	(39)
Issue of shares to non-controlling interests	-	-	-	-	5	5
Recognition of share-based payment	-	48	-	48	-	48
Transfer to retained earnings	-	(16)	16	-	-	-
Transfer to non-controlling interests	-	(5)	-	(5)	5	-
Dividends declared and paid[9]	-	-	(9)	(9)	(81)	(90)
Balance at 30 June 2013 (Audited)	2 714	764	3 563	7 041	1 657	8 698
Total comprehensive income for the year	-	96	1 261	1 357	206	1 563
Treasury shares acquired (net)	(21)	-	-	(21)	-	(21)
Issue of shares to non-controlling interests	-	-	-	-	6	6
Recognition of share-based payment	-	101	-	101	-	101
Disposal of businesses	-	(1)	-	(1)	(24)	(25)
Transfer to retained earnings	-	(56)	56	-	-	-
Transfer to non-controlling interests	-	(3)	-	(3)	3	-
Dividend paid as part of non-controlling interests acquisition[10]	-	-	-	-	(394)	(394)
Acquisition of existing non-controlling interests[11]	-	508	(3 065)	(2 557)	(1 424)	(3 981)
Dividends declared and paid[9]	-	-	(12)	(12)	(3)	(15)
Balance at 30 June 2014 (Audited)	2 693	1 409	1 803	5 905	27	5 932

[9] *Dividends relate to distributions made by entities that hold treasury shares.*
[10] *The dividends paid to non-controlling interests represent the special dividend paid by Clough as part of the agreement for the acquisition of the Clough non-controlling interests.*
[11] *The premium paid for the non-controlling interests in Clough was recorded as an adjustment against retained earnings in terms of IFRS 10: Consolidated Financial Statements, due to a controlling interest of 62% held in Clough by the Group prior to the transaction. Had the Group not held a controlling interest this premium would have been allocated to the relevant assets and liabilities, based on fair value, with the residual being allocated to goodwill.*

Notes

1. Basis of preparation

The Group operates in the construction, engineering and mining environment and as a result the revenue is not seasonal in nature but is influenced by the nature of the contracts that are currently in progress. Refer to commentary for a more detailed report on the performance of the different operating platforms within the Group.

The provisional summarised consolidated financial statements for the year ended 30 June 2014 have been prepared in compliance with the Listings Requirements of the JSE Limited, the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the requirements of the International Accounting Standards ("IAS") 34, Interim Financial Reporting, SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act, No. 71 of 2008. These summarised consolidated financial statements were compiled under the supervision of Mr AJ Bester (CA) SA, Group financial director and have been audited in terms of Section 29(1) of the Act.

The accounting policies used in the preparation of these results are in accordance with IFRS and are, with the exception of the adoption of a new accounting standard, IFRS 11: Joint Arrangements, consistent in all material respects with those used in the audited annual financial statements for the year ended 30 June 2013. In accordance with IFRS 11, the accounting for certain affected joint ventures has been changed from the proportionate accounting method to the equity accounting method and certain comparatives have been restated. The following new and revised Standards and Interpretations have been adopted in the current year; IAS 19: Employee Benefits, IAS 27: Separate Financial Statements, IAS 28: Investments in Associates and Joint Ventures, IAS 32: Financial Statements – Presentation, IFRS 7: Financial Instruments – Disclosure, IFRS 10: Consolidated Financial Statements, IFRS 11: Joint Arrangements, IFRS 12: Disclosure of Interests in Other Entities, IFRS 13: Fair Value Measurement and certain improvements to IFRS's 2013.

The external auditors, Deloitte & Touche, have issued their opinion on the Group's consolidated financial statements for the year ended 30 June 2014. The audit was conducted in accordance with International Standards on Auditing. The auditor responsible for the audit is AJ Zoghby. They have issued an unmodified audit opinion on the consolidated financial statements and provisional summarised consolidated financial statements. These provisional summarised consolidated financial statements have been derived and are consistent in all material respects with the Group's consolidated financial statements. A copy of their audit reports on the consolidated financial statements and the summarised consolidated financial statements are available for inspection at the Company's registered office. Any reference to future financial performance included in this announcement has not been audited and reported on by the Group's external auditors.

2. Profit before interest and taxation

Prior year profit before interest and taxation includes R681 million profit on sale of Forge.

R millions	30 June 2014	30 June 2013
Items by nature[5]		
Cost of sales	(32 383)	(31 306)
Distribution and marketing expenses	(16)	(18)
Administration expenses	(2 678)	(2 736)
Other operating income	571	1 500

3. Profit from discontinued operations

The Group disposed of the majority of the businesses (comprising Much Asphalt, Rocla, Ocon Brick and Technicrete) in its Construction Products Africa platform for a consideration of R1 325 million on 31 October 2013 (effective date). Of the total consideration, R1 150 million (R1 092 million net of transaction and other costs) was received on the effective date, R75 million is receivable 12 months after the effective date and R100 million is receivable 24 months after the effective date. The deferred element of the consideration is subject to certain contractual conditions that need to be met.

The Group disposed of the Hall Longmore business, the only remaining business in the Construction Products Africa platform, on 28 February 2014 (effective date). The business' property, plant and equipment and inventory were disposed of for a consideration of R416 million and the working capital is being realised by the Group over a period of time. R265 million (R253 million net of transaction costs) was received by 30 June 2014.

The Group continues to dispose of its remaining Steel businesses. On 30 June 2014 (effective date) an option to purchase Kosto, the Mauritian steel operation, was exercised by the purchaser. The option value was R15 million and the proceeds were received in July 2014.

3.1 Profit from discontinued operations

R millions	30 June 2014	30 June 2013[5,6]
Revenue	2 025	5 004
Profit before interest, depreciation and amortisation	588	480
Depreciation and amortisation	(8)	(72)
Profit before interest and taxation (note 3.2)	580	408
Net interest income/(expense)	7	(6)
Profit before taxation	587	402
Taxation	(165)	(101)
Profit after taxation	422	301
Income from equity accounted investments	1	1
Profit from discontinued operations	423	302
Attributable to:		
– Owners of Murray & Roberts Holdings Limited	422	290
– Non-controlling interests	1	12
	423	302

3.2 Profit before interest and taxation

Profit before interest and taxation includes the following significant items:		
Profit on disposal of businesses (net of transaction and other costs)	539	139
Other impairments	(34)	(54)
	505	85
3.3 Cash flows from discontinued operations include the following:		
Cash flow from operating activities	(201)	84
Cash flow from investing activities	1 348	384
Cash flow from financing activities	21	(215)
Net increase in cash and cash equivalents	1 168	253

4. Reconciliation of headline earnings

R millions	30 June 2014	30 June 2013[5]
Profit attributable to owners of Murray & Roberts Holdings Limited	1 261	1 004
Profit on disposal of businesses (net)	(539)	(139)
Profit on disposal of associate (net)	-	(681)
(Profit)/loss on disposal of property, plant and equipment (net)	(10)	13
Loss on sale of intangible assets	3	-
Impairment of assets (net)	20	32
Fair value adjustments and net profit on disposal of assets held-for-sale	73	72
Reversal of impairment of associate	-	(13)
Fair value recognised on associate	-	(10)
Realisation of foreign currency translation reserve	(41)	-
Other	1	-
Non-controlling interests effects on adjustments	(3)	141
Taxation effects on adjustments	135	346
Headline earnings	900	765
Adjustments for discontinued operations:		
Profit from discontinued operations	(423)	(302)
Non-controlling interests	1	12
Profit on disposal of businesses (net)	539	139
Loss on disposal of property, plant and equipment (net)	-	(1)
Fair value adjustments and net loss on disposal of assets held-for-sale	(73)	(72)
Realisation of foreign currency translation reserve	41	-
Non-controlling interests effects on adjustments	1	(1)
Taxation effects on adjustments	(139)	(35)
Headline earnings from continuing operations	847	505

5. Contracts-in-progress and contract receivables

R millions	30 June 2014	30 June 2013
Contracts-in-progress (cost incurred plus recognised profits, less recognised losses)	2 691	3 067
Uncertified claims and variations (recognised in terms of IAS 11: Construction Contracts)	1 550	2 062
Amounts receivable on contracts (net of impairment provisions)	3 286	3 301
Retentions receivable (net of impairment provisions)	245	449
	7 772	8 879
Amounts received in excess of work completed	(2 326)	(3 406)
	5 446	5 473
Disclosed as:		
Amounts due from contract customers – non-current*	2 088	2 003
Amounts due from contract customers – current	5 684	6 876
Amounts due to contract customers – current	(2 326)	(3 406)
	5 446	5 473

* The non-current amounts are considered by management to be recoverable.

Included in contracts-in-progress is a provision of R300 million raised for the water ingress dispute between the Gauteng Province and the Bombela Civils Joint Venture Proprietary Limited ("Bombela Civils Joint Venture") (of which Murray & Roberts has a 45% shareholding). A panel of technical experts and design consultants were appointed to perform a technical evaluation of the potential remedial work that may be required. Based on their reports and on an assessment of designs for potential remedial work, the Company recorded the provision for its share of potential costs to be incurred.

6. Contingent liabilities

Contingent liabilities relate to disputes, claims and legal proceedings in the ordinary course of business. The Group does not account for any potential contingent liabilities where a back to back arrangement exists with clients or subcontractors, and there is a legal right to offset.

R millions	30 June 2014	30 June 2013
Operating lease commitments	1 799	1 805
Contingent liabilities	1 508	1 470
Financial institution guarantees	9 805	10 491

In November 2013 an arbitration award was made in favour of the Gauteng Province, in the water ingress dispute between the Gauteng Province and the Bombela Civils Joint Venture.

The Tribunal ruled that in certain parts of the tunnel the non-compliance with specification could be settled through financial compensation, and in other parts of the tunnel additional works by the Bombela Civils Joint Venture would be required to meet the specification. A panel of technical experts and design consultants were appointed to perform a technical evaluation of the potential remedial work that may be required. Based on their reports and on an assessment of designs for potential remedial work, the Company recorded a R300 million provision for its share of potential costs to be incurred. The amount of any other potential financial compensation, if any, related to the matter cannot be determined.

7. Business disposals/acquisitions

The Group disposed of the majority of the businesses (comprising Much Asphalt, Rocla, Ocon Brick and Technicrete) in its Construction Products Africa platform for a consideration of R1 325 million on 31 October 2013 as well as the Hall Longmore business for a consideration of R416 million on 28 February 2014. Refer to note 3 for additional information.

Murray & Roberts completed the acquisition of all the non-controlling interests shares in Clough on 11 December 2013 for a consideration of R4 395 million (including transaction costs). The acquisition was funded through a combination of Clough on-balance sheet cash of R2 927 million as well as an external bridge facility of R1 468 million.

On 30 June 2014 (effective date) an option to purchase Kosto, the Mauritian steel operation, was exercised by the purchaser. The value of the option was R15 million and the proceeds were received in July 2014.

8. Fair value measurements

The fair value adjustment of R234 million, on the investment in the Bombela Concession Company, recognised in the statement of financial performance was determined by using the risk adjusted discount rate of 19.5% in a free cash flow valuation.

9. Dividend

In terms of the dividend policy the Board has declared a gross annual dividend of 50 cents per share on 27 August 2014. The Company has sufficient STC credits and consequently no withholding tax will be deducted. The dividend has been declared from income reserves.

10. Related party transactions

There have been no significant changes to the nature of related party transactions since 30 June 2013.

11. Events after reporting date

The five remaining historical incidents of collusive conduct have been settled with the Competition Commission. A provision was raised in the prior year with respect to these incidents.

The sale of Tolcon (effective date 1 September 2014) was completed on obtaining Competition Commission approval. The sale agreement excludes the investments in the Bombela Concession and Bombela Operating Companies and also Chapman's Peak's Entilini Concession and its operating companies – the Group's Concessions businesses are not part of Tolcon.

The Oil & Gas platform is preparing to extend its engineering service offering globally. In August 2014, Clough completed a US$5 million strategic acquisition of CH-IV, a boutique engineering company based in the United States of America and highly regarded in liquefied natural gas ("LNG") concept, Front End Engineering and Design, detailed design and owner's engineering arena, with capabilities across micro, midscale and large scale LNG developments.

In terms of the dividend policy the Board has declared a gross annual dividend of 50 cents per share on 27 August 2014. The Company has sufficient STC credits and consequently no withholding tax will be deducted. The dividend has been declared from income reserves.

The directors are not aware of any other matter or circumstance arising since the end of the financial year, not otherwise dealt with in the Group's annual financial statements, which significantly affects the financial position at 30 June 2014 or the results of its operations or cash flows for the year then ended.

Murray & Roberts Holdings Limited
(Incorporated in the Republic of South Africa)
Registration number: 1948/029826/06
JSE Share Code: MUR ADR Code: MURZY
ISIN: ZAE000073441
("Murray & Roberts" or "Group" or "Company")

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