



UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

WBHO

WBHO

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OVERVIEW AND HIGHLIGHTS

SIX MONTHS IN PERSPECTIVE

SOUTH AFRICA

- Low-growth environment and political instability create uncertain business environment
- Building markets subside further
- Civil engineering markets showed little sign of improvement – outlook slightly better
- Mining infrastructure projects limited to coal mines
- Roads and earthworks division delivers good growth following strong order intake in 2017
- Rebar and steel markets remain under pressure – Reinforced Mesh Solutions (RMS) experiencing low volumes

REST OF AFRICA

- Improved revenue from the region over the six month period
- West African projects gain traction but not without challenges
- Large mining project awarded in Botswana
- Activity in Mozambique remained at the lower levels experienced in H1:2017
- Zambia showing signs of improvement
- Building activity in Ghana subdued – one new award during the period

SIX MONTHS IN PERSPECTIVE

AUSTRALIA

- Market sentiment remains positive, driven by continued Asian demand
- Strong revenue growth of 29%
- Revenue growth of 31% in Australian dollar terms
- Well-diversified business
- One under-performing building project in Sydney impacts profitability and margin
- Solid performance from Infrastructure business at satisfactory margins
- AU\$630m road work project awarded to Infrastructure business in the Eastern Region

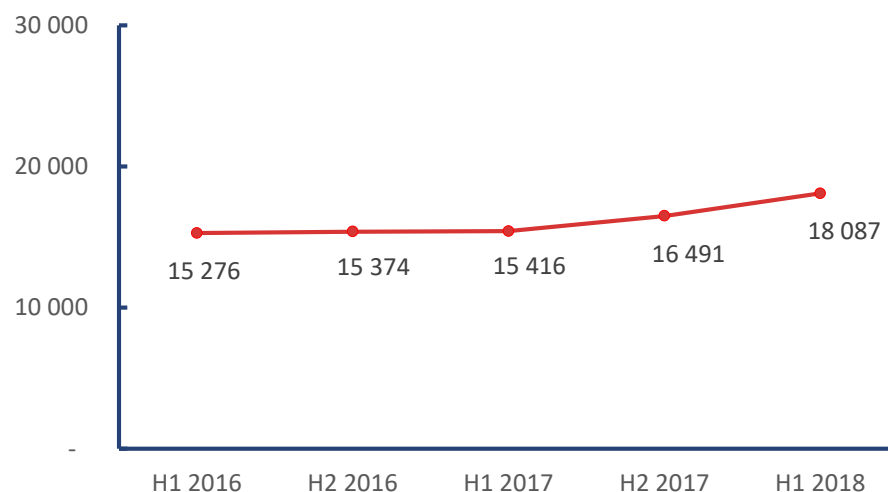
CONSTRUCTION MATERIALS

- Trading conditions remain difficult
- Low volumes and competitive pricing within the market
- Poor results from the steel mills resulting in tightening of credit terms and volume rebates

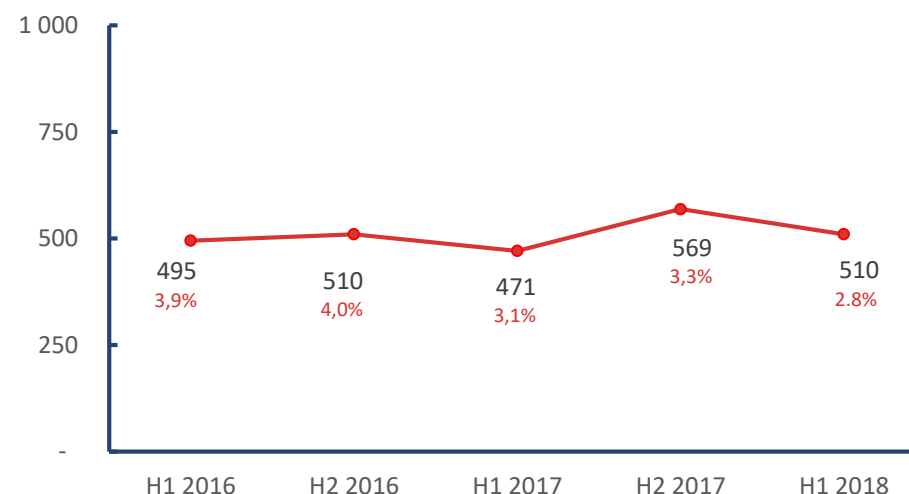
UNITED KINGDOM

BYRNE GROUP SUMMARISED PERFORMANCE (Rm)	H1 2018
Revenue	1 084
Operating loss	(68)
Restructuring costs	(22)
Finance costs	(2)
Loss before tax	(92)
Taxation	20
Loss after tax	(72)
Group's 40% share of after-tax loss	(28,8)

- Low volumes of work experienced due to delays in contract awards
- Operational performance satisfactory
- Restructuring results in once-off additional costs
- Three key projects secured for H2:2018
- Low volumes from H1:2018 will continue to impact full year performance
- Further restructuring costs likely
- SPA includes contractual mechanism to compensate for lower than expected FY18 EBITDA

REVENUE (Rm)

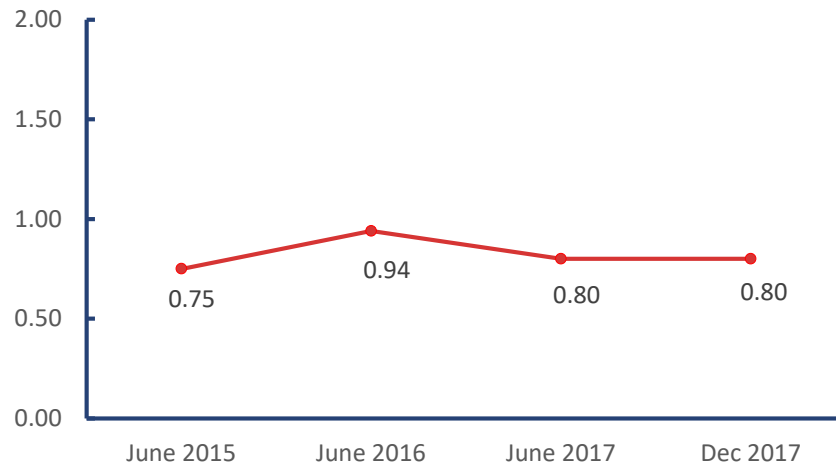
- Revenue growth of 17% (H1:2017 1%)
- Strong revenue growth of 29% in Australia and 64% in the rest of Africa
- 6% decline in revenue in South Africa as building markets continue to taper

OPERATING PROFIT (Rm)

- Growth in operating profit of 8% over H1:2017 but down 10% from H2:2017
- Overall margin of 2,8% (H1:2017 3,1%)
- Improved profitability from Roads and earthworks division
- Offset by lower activity and margin pressure in Building and civil engineering division
- Increased contribution from Australia at lower embedded margins

SAFETY

LTIFR (Number of lost time injuries per million man hours)



- LTIFR unchanged at 0,80 from June 2017
- Further improvement in safety performance from African operations
 - LTIFR improves from 0,54 to 0,50
 - Reflects impact of proactive safety processes
- One subcontractor fatality on a local building project during the period
- Safety remains a key focus area at the highest levels of management
- Regular safety workshops to develop and implement new methods and latest best practice safety standards throughout the group

TRANSFORMATION AND EMPOWERMENT

PROCUREMENT

- Inconsistent implementation of PFMA guidelines by public entities
- Additional empowerment requirements imposed by individual SOEs
- Increase in joint ventures with empowered partners to meet requirements

CONSTRUCTION SECTOR CODES

- New Construction Sector Codes finally gazetted during the period
- WBHO has attained Level 1 status under new codes

VRP

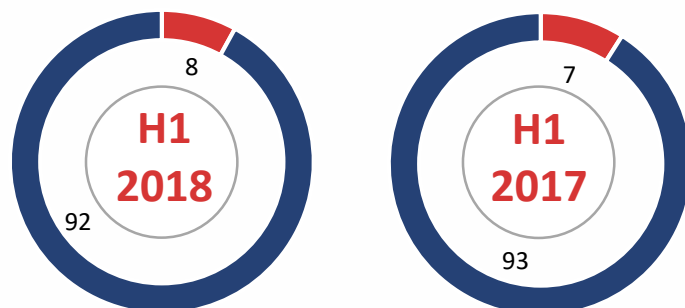
- Tirisano Trust has been established
- Final approval from Competition Commission obtained February 2018
- Implementation of strategy and internal processes to ensure empowerment partners achieve stipulated turnover targets



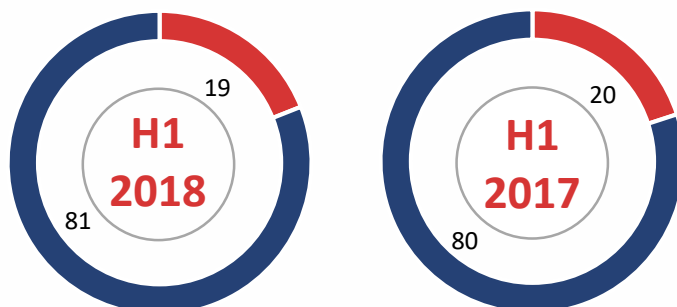
BUILDING AND CIVIL ENGINEERING

GEOGRAPHIC FOOTPRINT

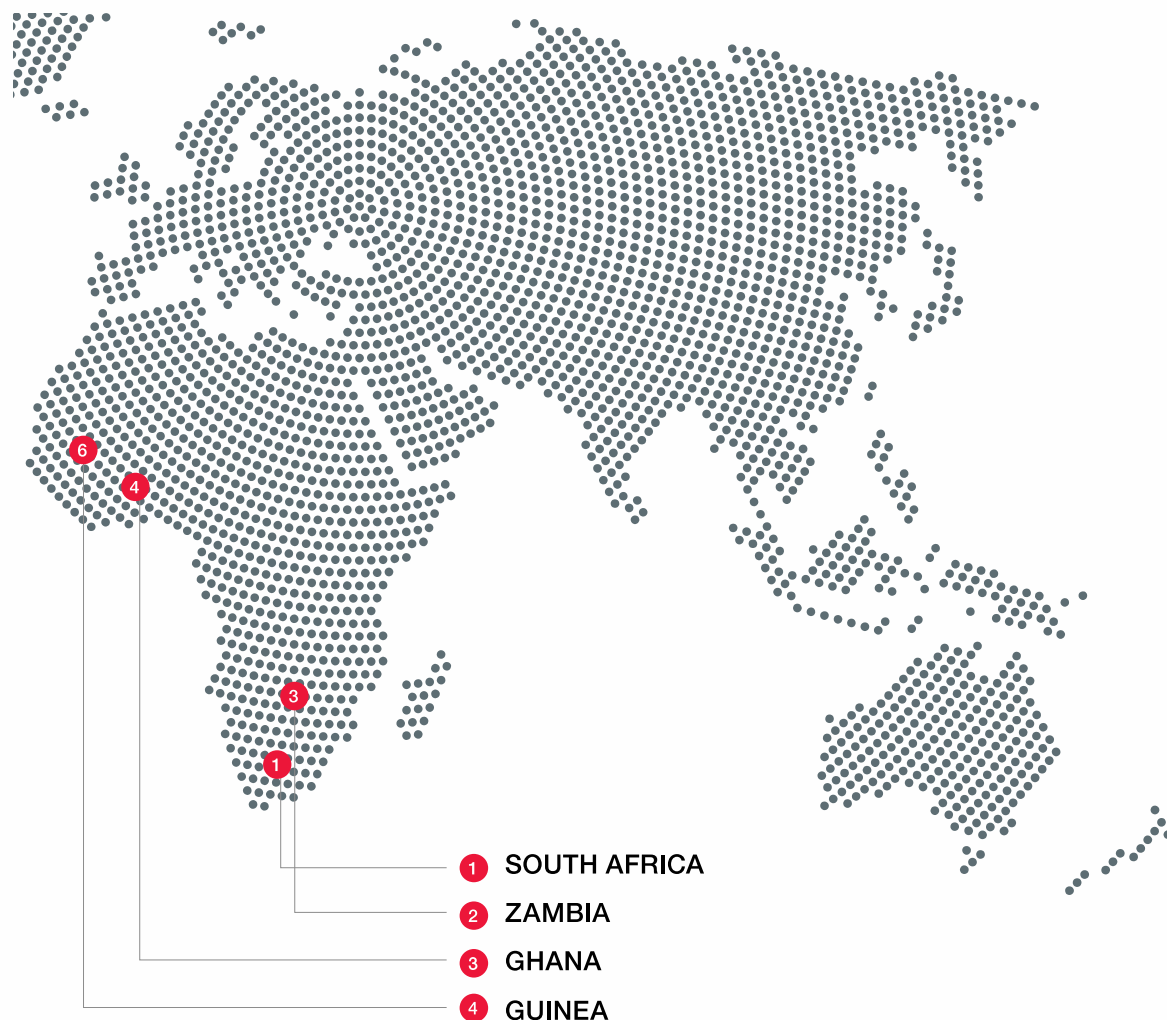
REVENUE (%)



OPERATING PROFIT (%)



● Rest of Africa ● South Africa



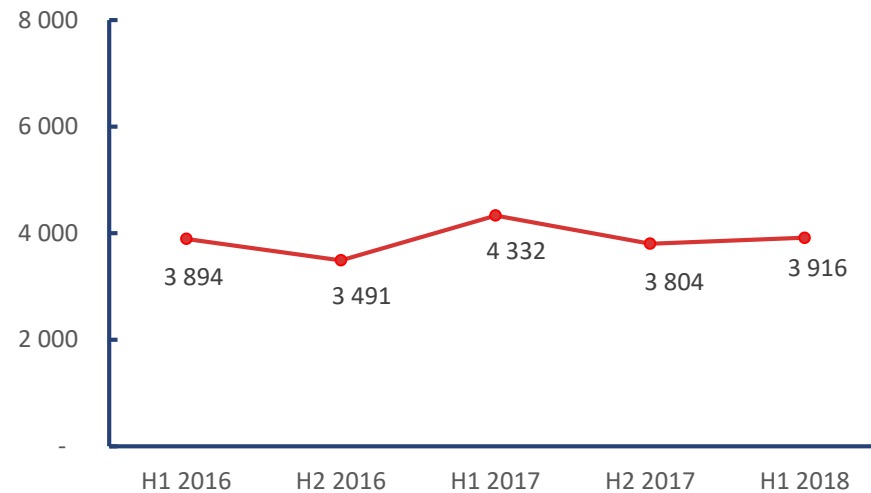
SIX MONTHS IN PERSPECTIVE

BUILDING

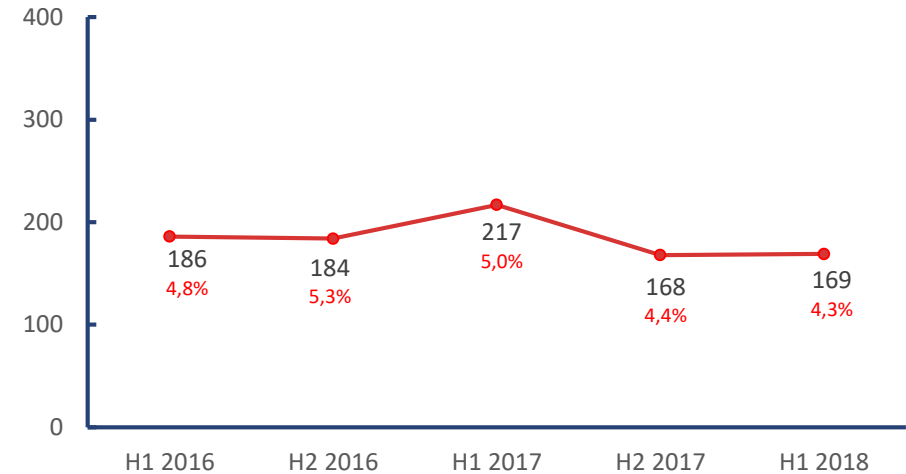
- Declining building markets result in lower overall revenue from building divisions
- Lower activity felt mostly in Gauteng
- Coastal building divisions able to maintain activity levels over period
- Retail sector is quiet with commercial office sector beginning to taper
- Residential mixed-use developments on the increase, particularly in coastal regions
- Project procurement equivalent to work executed as order book maintained
- Reliable on-time delivery of major projects in a difficult environment cementing our reputation

CIVIL ENGINEERING

- Civil engineering markets in general remain subdued
- Local mining infrastructure opportunities limited to collieries and platinum mines
- Revenue growth over the period attributable to large-scale crude oil terminal in Saldanha
- Impact of six week strike and associated costs have resulted in delays to the programme affect profitability for the period
- Activity in Zambia improving, although from a relatively low base

REVENUE (Rm)

- Decline in revenue of 10% (H1 :2017 11% increase)
- 11% decline in South Africa
- 3% increase from the rest of Africa
- 22% contribution to group revenue
- Revenue spike in H1:2017 attributable to peak construction period at Time Square Casino and Discovery offices

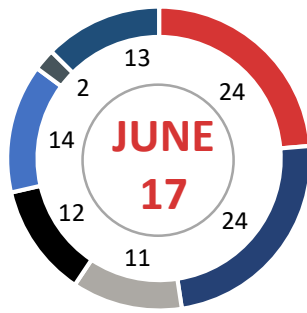
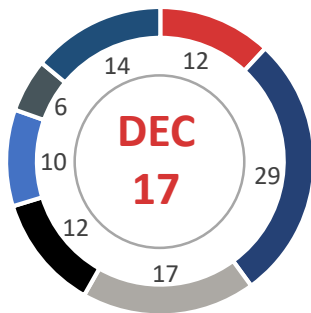
OPERATING PROFIT (Rm)

- Overall margin of 4,3% in line with H2:2017
- 33% contribution to group operating profit
- Margin pressure evident in H2:FY17 and H1:FY18 represents tighter market, decreased contribution of higher-margin work from the rest of Africa

ORDER BOOK

BUILDING AND CIVIL ENGINEERING (Rm)	% GROWTH	AT JUNE 2017	AT DEC 2017	TO JUNE 2018	BEYOND JUNE 2018
South Africa	0,9	6 738	6 798	3 310	3 488
Africa	80,9	451	816	318	498
TOTAL	5,9	7 189	7 614	3 628	3 966

ORDER BOOK BY SECTOR (%)



- Retail
- Commercial
- Hotels, casinos and healthcare
- Residential
- Mixed-use developments
- Civil works and mining infrastructure
- Energy infrastructure

ORDER BOOK ▲ 6%

- Order book levels maintained
- Select opportunities remain available in individual building sectors
- Project pipeline in coastal regions promising
- Replacement of building work in the rest of Africa still challenging
- Activity in Zambia improving

ORDER BOOK BY SECTOR

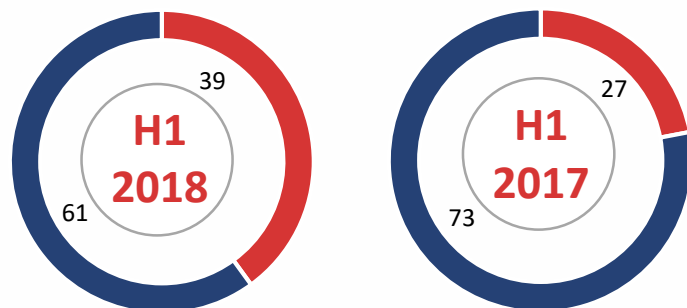
- Commercial developments the largest contributor to activity
- Hotel and leisure activity supported by Sun Coast casino and Oceans Hotel projects
- Increased levels of residential activity sustained through H1:2018
- Growth in Civil engineering component (includes energy infrastructure)



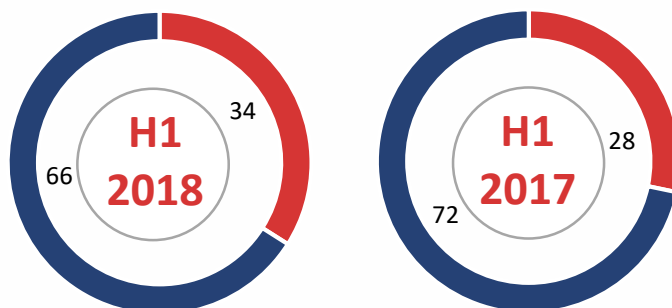
ROADS AND EARTHWORKS

GEOGRAPHIC FOOTPRINT

REVENUE (%)



OPERATING PROFIT (%)



● Rest of Africa ● South Africa



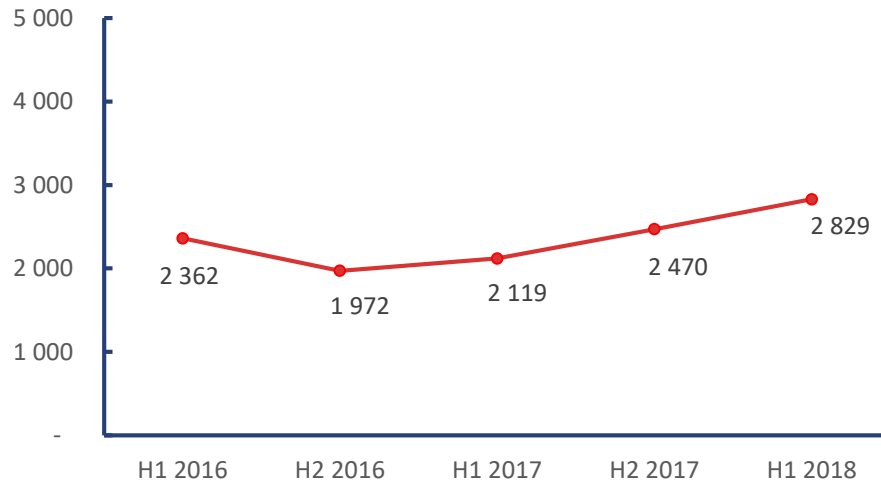
SIX MONTHS IN PERSPECTIVE

SOUTH AFRICA

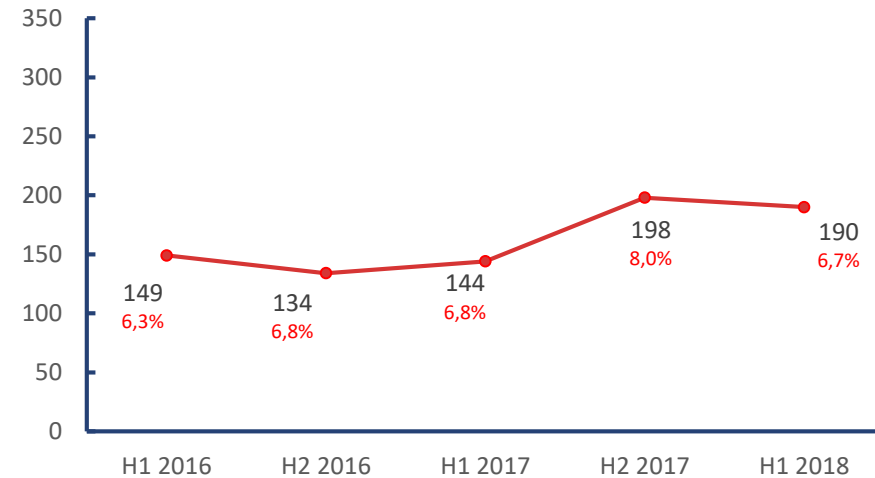
- Strong performance on the back of order book growth in 2017
- Road construction levels remain high comprising 40% of overall activity
- Large-scale road projects in Mpumalanga, the Free State, Eastern Cape and Western Cape
- Roadspan surfacing division also performing well as a result
- Private industrial and infrastructure projects at SASOL, Clairewood Logistics Park and OTMS at Saldanha supported activity during the period
- New sizeable mining infrastructure project secured for South 32
- Pipeline market still highly competitive

REST OF AFRICA

- Mining activity in Botswana picks up once again following award of new project
- Activity in Mozambique has stabilised although at lower levels
- Improved revenue from West Africa – profitability impacted by slow start and resourcing difficulties on a project in Guinea

REVENUE (Rm)

- Revenue growth of 34% (H1:2017 -10%)
- 12% growth in South Africa
- 93% growth from rest of Africa due to increased activity in Botswana and West Africa
- 16% contribution to group revenue (H1:2017 14%)

OPERATING PROFIT (Rm)

- Operating profit growth of 32% over H1:2017
- Overall margin 6,7%
- 37% contribution to group operating profit
- H1:2018 margin impacted by difficult project in Guinea

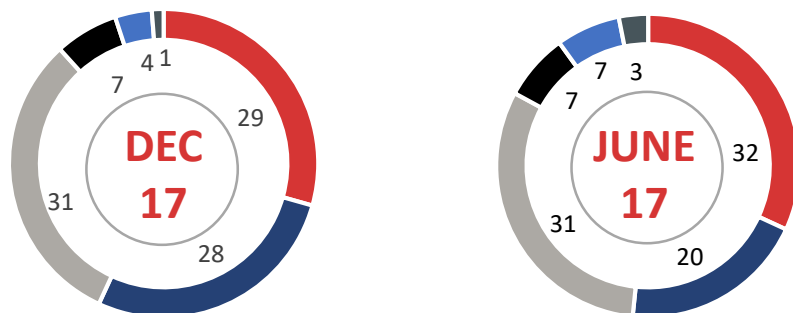
ORDER BOOK

ROADS AND EARTHWORKS (Rm)	% GROWTH	AT JUNE 2017	AT DEC 2017	TO JUNE 2018	BEYOND JUNE 2018
South Africa	0,38	4 969	4 988	1 938	3 050
Africa	(24,2)	1 192	904	588	316
TOTAL	(4,5)	6 161	5 892	2 526	3 366

ORDER BOOK ↓ 5%

- Increased order book levels of FY17 have been maintained
- Change in mix of public / private work – now 40% public and 60% private
- West African projects are complete in 2018:H2 – replacement work needed for FY19

ORDER BOOK BY SECTOR (%)



- Roadwork
- Mining infrastructure
- Energy infrastructure
- Pipelines
- Low-cost housing
- Rail infrastructure

ORDER BOOK BY SECTOR

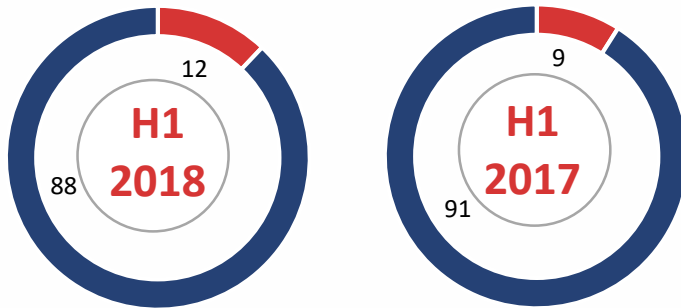
- Roadwork and earthworks and infrastructure projects in the energy sector underpin future activity
- Two large mining infrastructure projects secured during the period
- Pipeline market remains competitive
- Local rail markets offering potential medium-term opportunities



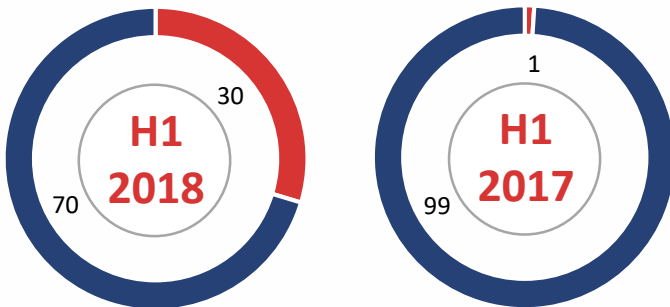
AUSTRALIA

GEOGRAPHIC FOOTPRINT

REVENUE (%)



OPERATING PROFIT (%)



● Infrastructure ● Building



SIX MONTHS IN PERSPECTIVE

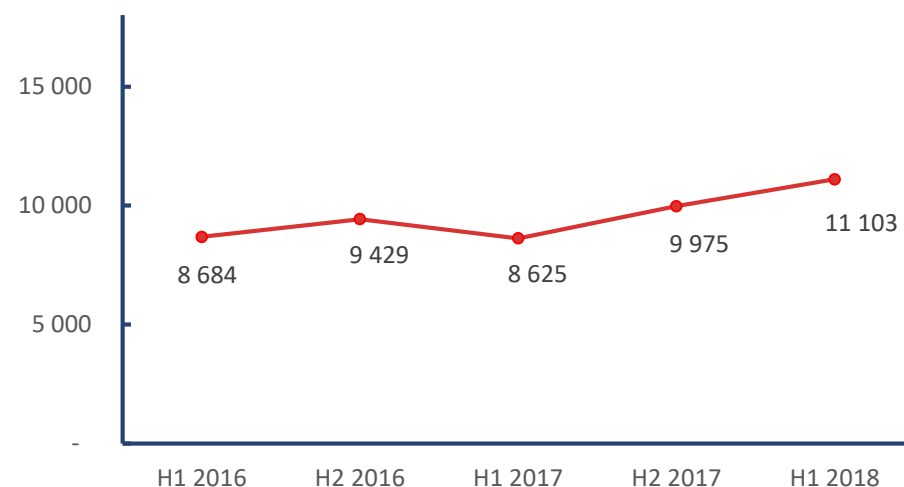
BUILDING

- Building markets continue to offer opportunities
- Strong growth delivered on the back of increased order book in FY17
- Melbourne comprises 44% of overall building revenue with good volumes of work in other states
- Multi-level residential projects and mixed-use hotel / residential projects underpin activity
- Increased activity in hotel and leisure markets due to increasing Chinese tourism
- Loss-making Coorparoo project completed
- Additional campus residential project in Sydney impacts profitability

INFRASTRUCTURE AND CIVIL ENGINEERING

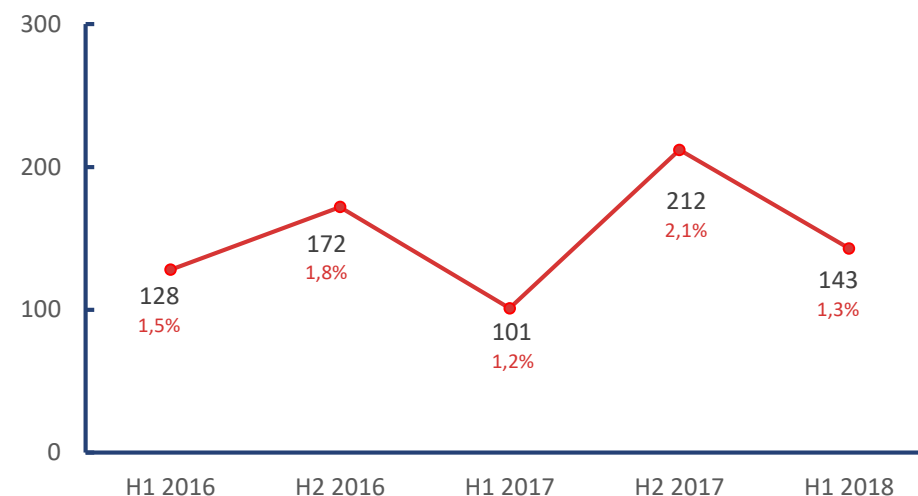
- Major AU\$630m roadwork project secured in Melbourne
- Potential to significantly raise the profile of the infrastructure business in the Eastern region
- Solid performance delivered by the Western region

REVENUE (Rm)



- Revenue growth of 29% (H1:2017 0%)
- 25% growth in building business
- 73% growth in infrastructure business
- 61% contribution to group revenue (H1:2017 58%)
- Slow conversion of projects in FY17 supporting increased revenue in FY18

OPERATING PROFIT (Rm)



- Operating profit growth of 42% over H1:2017
- 33% decline from H2:2017 due to margin impairment on Sydney project
- Overall margin of 1,3%
- 28% contribution to group operating profit
- Erratic earnings performance over the six month periods as losses / costs are accounted for fully once known

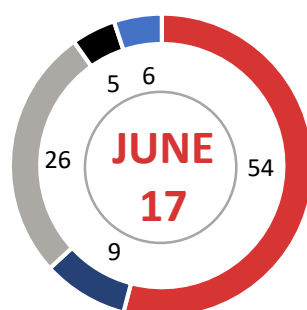
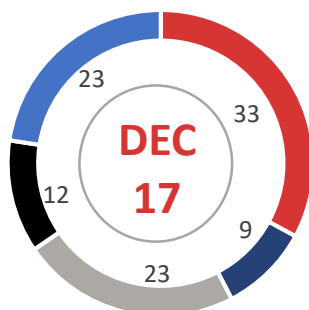
ORDER BOOK

AUSTRALIA (Rm)	% GROWTH	AT JUNE 2017	AT DEC 2017	TO JUNE 2018	BEYOND JUNE 2018
Building	1,2	29 740	30 108	7 753	22 355
Infrastructure	392,5	1 786	8 796	2 201	6 595
TOTAL	23,4	31 526	38 904	9 954	29 950

ORDER BOOK 23%

- High volume of building work maintained
- Diversification of building order book entrenched
- New roadwork project boosts infrastructure order book

ORDER BOOK BY SECTOR (%)



● Residential
● Retail
● Commercial

● Healthcare and leisure
● Infrastructure

ORDER BOOK BY SECTOR

- Decline in residential activity evident in order book
- Mixed-use residential/hotel projects comprise the bulk of future work
- Increase in infrastructure component evident following new major project



FINANCIAL REVIEW

FINANCIAL PERFORMANCE

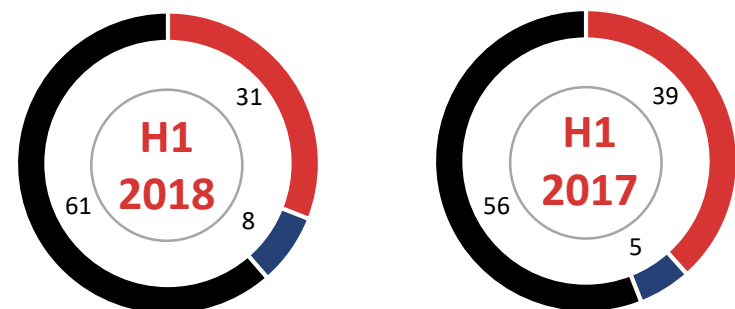
KEY FINANCIAL INDICATORS		TARGET/ GROWTH	H1 2018	H1 2017
Revenue growth	%	>10	17,3	0,9
Operating profit margin	%	3 – 4,5	2,8	3,1
Earnings per share	cents	87%	737	398
Adjusted earnings per share	cents	4%	737	709
Headline earnings per share	cents	84%	727	398
Adjusted headline earnings per share	cents	2%	727	710
Ordinary dividend per share	cents	-	150	150

CONTRIBUTION BY GEOGRAPHY

REVENUE (Rm)	% GROWTH	H1 2018	H1 2017
South Africa	(6,1)	5 558	5 921
Rest of Africa	64,0	1 427	870
Australia	28,7	11 103	8 625
TOTAL	17,3	18 087	15 416

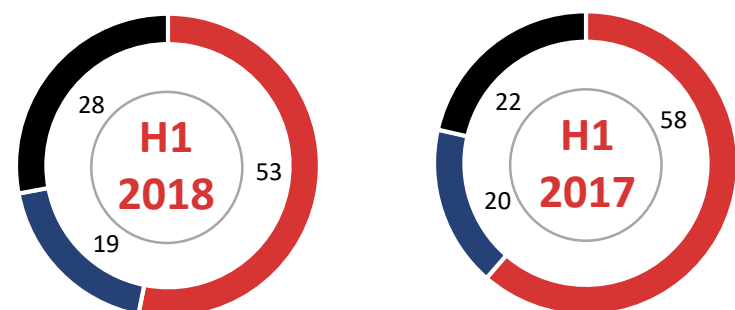
OPERATING PROFIT (Rm)	% MARGIN	H1 2018	% MARGIN	H1 2017
South Africa	4,9	272	4,9	289
Rest of Africa	6,8	97	9,3	81
Australia	1,3	143	1,2	101
United Kingdom		(3)		-
TOTAL	2,8	510		471

REVENUE (%)



● South Africa ● Rest of Africa ● Australia

OPERATING PROFIT (%)

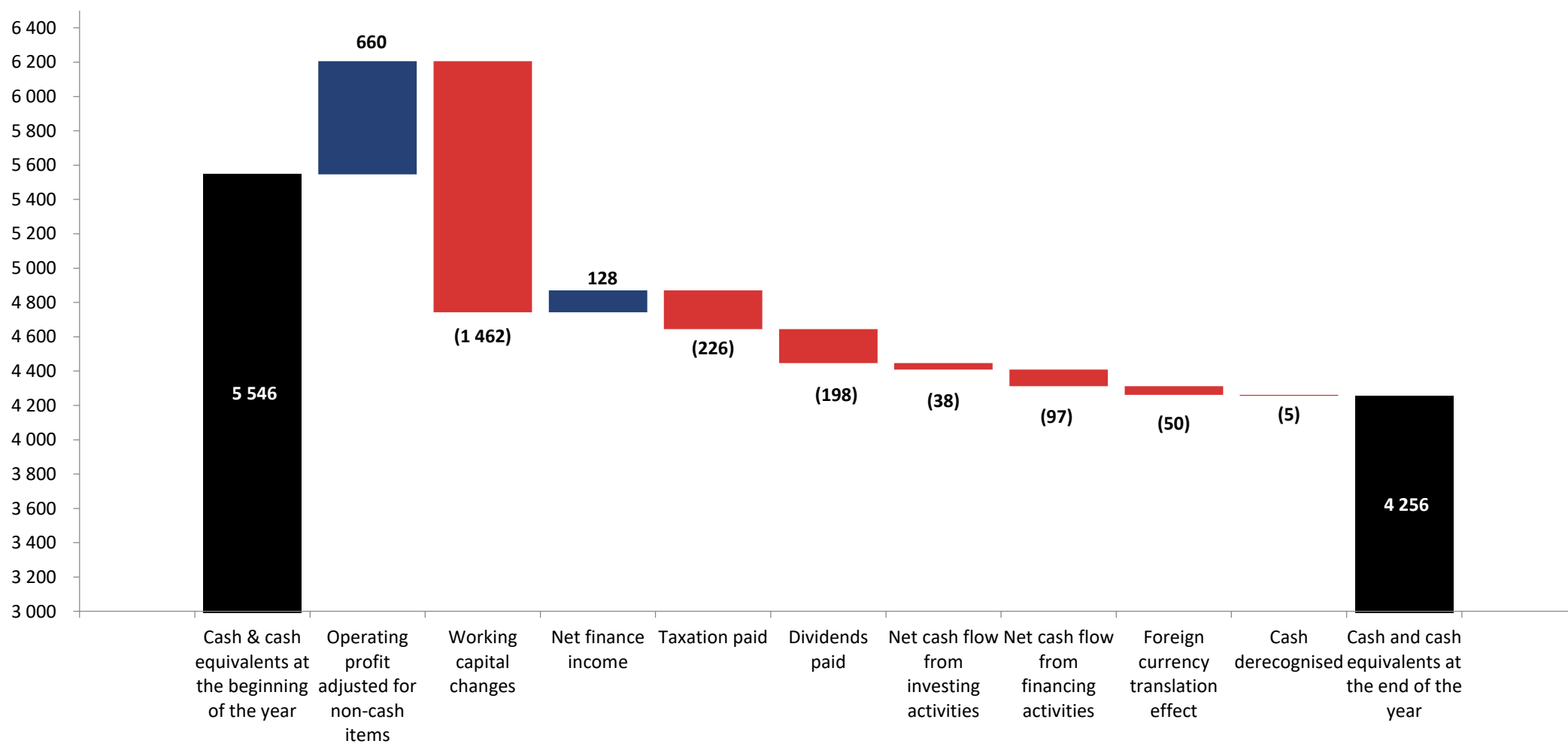


FINANCIAL PERFORMANCE

KEY FINANCIAL NUMBERS AND RATIOS	% CHANGE	H1 2018	H1 2017
Revenue	17,3	18 087	15 416
Operating profit before non-trading items	8,1	510	471
Settlement agreement expense		–	(170)
Gain on loss of control / Profit on disposal of shares		5	12
Share-based payments expense		(30)	(24)
Share of (losses) / profit from associates		(6)	19
Net finance income	(13,8)	100	116
Profit before tax	36,3	578	424
Effective tax rate (%)		30	43

- Growth driven by increased activity in Australia and from the rest of Africa
- Operating profit before non-trading items increases due to growth
- Operating margin lower due to challenging projects in Australia and West Africa and increased contribution from Australia
- Sharp increase in overall earnings due to settlement agreement expense recognised in prior period
- Increase in SBP due to award of new share options in FY17
- Decrease in net finance income reflects lower cash balances and completed mezzanine finance arrangements

FINANCIAL POSITION



FINANCIAL POSITION

PROPERTY, PLANT AND EQUIPMENT (Rm)	H1 2018	JUNE 2017
Property, plant and equipment	1 636	1 635
Depreciation	122	211

CAPITAL EXPENDITURE	APPROVED 2018	H1 2018	JUNE 2017
Replacement	303	139	262
Expansion	52	11	47
TOTAL	355	150	309

- Fleet size maintained at FY17 levels as order book maintained in African operations
- Increased spend authorised for FY18 due to necessary replacements of key items of plant

FINANCIAL POSITION

INVESTMENTS (Rm)	H1 2018	JUNE 2017
Investments	29	0,3
Investments in associates	671	650

- Investment of AU\$3m in new property development in Australia
- Further AU\$4,1m invested in Precinct 2 of Caulfield development
- Investments in other associates includes, R57m in Dipalopalo (STATS SA), R93m in Edwin Construction and R3,8m in iKusasa Rail SA (South Africa); 110m in Gigajoule Power and R147m in Gigajoule International (Mozambique) and £12m in the Byrne Group (UK)

LOANS (Rm)	H1 2018	JUNE 2017
Long-term receivables	338	447

- Mezzanine financing arrangements of R174m
- Decrease represents repayment of \$10m in respect of a building project in West Africa
- Consideration receivable of R24m from the buy-back of shares in Edwin Construction
- Employee loans for shares of R140m in Australia

FINANCIAL POSITION

TAX (Rm)	H1 2018	JUNE 2017
Net deferred tax asset	601	575
Net current tax asset	125	123

Deferred tax asset consists of:

- Asset of R39m raised on future settlement agreement expense (June 2017: R42m)
- Tax losses of R115m (June 2017: R114m)
- Timing differences of R447m (June 2017: R461m)

Current tax asset consists of:

- Foreign tax credits of R85m (June 2017 : R82m)
- Taxation refundable of R87m (June 2017 : R60m)
- Tax liability of R47m (June 2017 : R18m)

NCI MOVEMENT (Rm)	DESCRIPTION	% CHANGE	CONSIDERATION
WBHO Australia	Share purchase	1,7	31,3
WBHO Australia	Share purchase	0,7	16,9

- Effective interest in Probuild at 83,1% following acquisition of minority interests



ORDER BOOK AND PROJECT PIPELINE

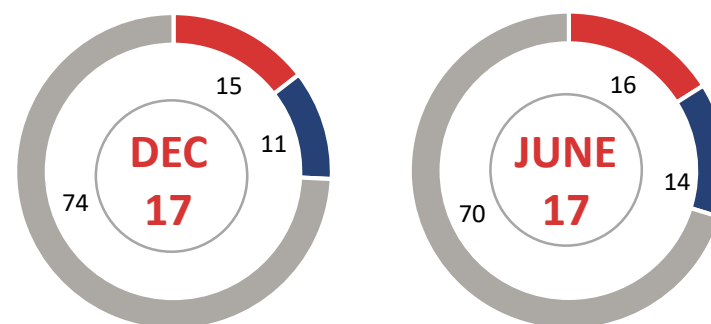
CONSOLIDATED ORDER BOOK

SEGMENT (Rm)	AT JUNE 2017	AT DEC 2017	TO JUNE 2018	2019 →
Building and civil engineering	7 189	7 614	3 628	3 986
Roads and earthworks	6 161	5 892	2 526	3 366
Australia	31 526	38 904	9 954	28 950
TOTAL	44 876	52 410	16 108	36 302

ORDER BOOK ↑ 17%

- Building divisions do well to sustain order book levels in a declining market
- Civil engineering division's order book supported by large-scale crude oil terminal project in Saldanha
- Roads and earthworks division also maintains order book after strong growth in FY17
- Further growth in both building and infrastructure order books in Australia
- Australian order book comprises 74% of total order book with a strong horizon into FY19

ORDER BOOK BY SEGMENT (%)

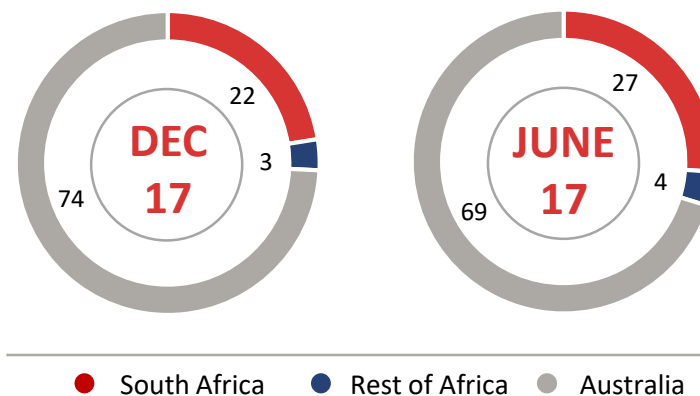


- Building and civil engineering
- Roads and earthworks
- Australia

CONSOLIDATED ORDER BOOK

GEOGRAPHY (Rm)	AT JUNE 2017	AT DEC 2017	TO JUNE 2018	2019 ➔
South Africa	11 707	11 786	5 248	6 538
Rest of Africa	1 643	1 720	906	814
Australia	31 526	38 903	9 954	28 950
TOTAL	44 876	52 410	16 108	36 302

ORDER BOOK BY GEOGRAPHY (%)



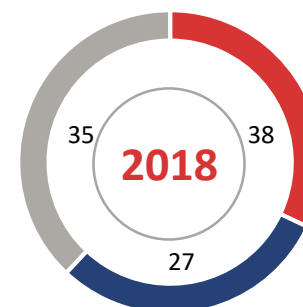
ORDER BOOK BY GEOGRAPHY

- Order book from African operations in line with June 2017 levels
- Australian order book component grows to 74%

PROJECT PIPELINE

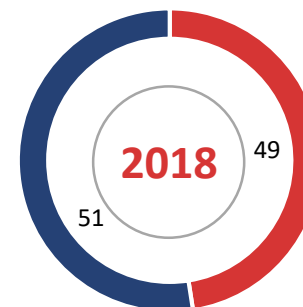
SOUTH AFRICA	Rm
Building	19 492
Public	3 246
Private	16 246
Civil engineering	14 155
Public	8 379
Private	5 776
Roads and earthworks	18 189
Public	13 885
Private	4 304
TOTAL	51 836

REST OF AFRICA	Rm
Building and civil engineering	11 012
Roads and earthworks	14 656
TOTAL	25 668



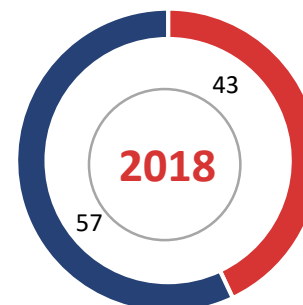
SOUTH AFRICA

- Building
- Civil engineering
- Roads and earthworks



SOUTH AFRICA

- Public
- Private

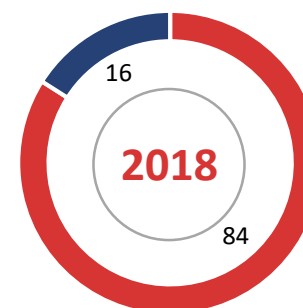


REST OF AFRICA

- Building and civil engineering
- Road and earthworks

PROJECT PIPELINE

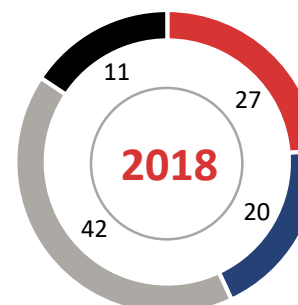
AUSTRALIA	Rm
Building	58 961
Civil engineering	11 558
TOTAL	70 519



AUSTRALIA

- Building
- Infrastructure and civil engineering

SUMMARY	Rm
Building and civil engineering	44 659
Roads and earthworks	32 845
Australia	70 519
United Kingdom	19 487
TOTAL	167 510



SUMMARY

- Building and civil engineering
- Road and earthworks
- Australia
- United Kingdom

OUTLOOK

SOUTH AFRICA

- Outlook for remainder of FY18 stable with current volume of work
- Country risk appears to have improved significantly since 31 December
- Any potential positive impact on the industry will take time to materialize
- Building margins under pressure in current market
- Civil engineering markets yet to recover – mining opportunities exist but timing uncertain
- Reasonable outlook for Roads and earthworks over the short-term – medium term less certain

REST OF AFRICA

- Building opportunities exist – but take a protracted time to convert to projects
- Civil engineering division seeking increased exposure to the region
- Gold and bauxite mines in West Africa offer some opportunities
- Projects team continue to pursue various infrastructure and building opportunities

OUTLOOK

AUSTRALIA

- Market sentiment remains positive
- Asian investment into Australia is significant
- Building markets are currently strong
- Multi-level residential projects are being replaced with mixed-use hotel/residential developments
- Successful execution of large-scale road project in Melbourne key to repositioning of Infrastructure business
- Green energy projects continue to offer opportunities

OUTLOOK

UNITED KINGDOM

- UK markets have been strong for some time, particularly London and the North West
- Limited impact from BREXIT at this stage
- Strong demand for residential and infrastructure developments
- Despite a brief lull in the order intake through FY18, the Byrne Group has reasonable secured order book for FY19 and is the preferred bidder on a significant amount of additional work
- Strong relationships maintained with existing client base
- Restructuring will be complete by the end of FY18.

DISCLAIMER

Certain statements contained within this presentation may be classified as forward-looking statements. Words, including but not limited to, “believe”, “anticipate”, “expect”, “seek”, “intend”, “estimate”, “project”, “plan”, or “predict” are used to identify such statements. Forward-looking statements, by their very nature, contain known and unknown risks as well as other uncertainties, the outcome of which may have a material impact on the future predictions expressed or implied therein.

No assurance can be given that future-looking statements will prove to be correct. Furthermore, no obligation is undertaken by the group to update or revise any forward-looking statements contained within this presentation and investors are cautioned not to place any reliance thereon.

THANK YOU

WBHO

