

FOR FURTHER INFORMATION, PLEASE CLICK HERE

As outlined in Murray & Roberts Holdings Limited's ("Murray & Roberts") business update released on the Securities Exchange News Service of the JSE Limited ("JSE") on 31 January (the "Business Update"), Murray & Roberts and its subsidiaries (the "Group") have made good progress in respect of certain key matters.

In line with the Group's objectives of recovery and growth, the Group has taken a positive step to improve its liquidity and successfully restructured its South African term debt ("Term Debt") and bank facilities during November 2011. Further detail on the restructured debt facilities is set out in the Business Update.

The board of directors of Murray & Roberts (the "Board") has given due consideration to the continued implementation of the Group's recovery and growth plan, the expected funding requirements of the order book, optimal balance sheet structure, debt repayment tenure and the protracted nature of the claims settlement process. The Board is of the view that it is prudent to raise additional equity capital from Company's shareholders (the "Shareholders") and intends to propose a rights offer to raise circa R2 billion (the "Rights Offer").

Subsequent to the October 2008 global financial crisis, and in particular since early 2010, Murray & Roberts' business environment has been impacted by the weakening of the global economy and the slowdown in South African public spending on infrastructure. These factors, together with the challenges experienced on three of the Group's projects namely, Dubai International Airport, Gautrain Rapid Rail Link and the Gorgon Pioneer Materials Offloading Facility, which resulted in unresolved claims, caused Murray & Roberts to end the 2011 financial year in a weakened financial position.

As a result, managing short-term liquidity has been a key focus for the Group in recent months given the protracted nature of major claims resolution processes and timing of anticipated proceeds from claim settlements in respect of the abovementioned three projects. To date, the Group has recognised as uncertified revenues a cumulative amount of approximately R2 billion of these and other claims.

In order to improve the Group's liquidity, Murray & Roberts successfully completed the restructuring of its Term Debt and bank facilities during November 2011. This restructuring improves alignment between the Group's debt repayment tenure and the timing of anticipated proceeds to be derived from the settlement of the three major unresolved claims.

Notwithstanding the Board's expectation that the Term Debt and bank facilities will meet the Group's expected liquidity requirements over the short and medium term, the Board intends to implement the Rights Offer which should allow the Group to withstand the impact of current uncertain global economic and financial markets. The Board is of the view that the Rights Offer represents the best opportunity for the Group to retain strategic flexibility and to preserve and grow long-term Shareholder value. Specifically, the successful completion of the Rights Offer should give the Group sufficient flexibility to:

a) benefit from reduced overall debt levels and increased headroom under its banking facilities. The expected net proceeds from the Rights Offer will be deployed, in whole or in part, to reduce the Group's debt. The Board believes that this strengthening of the Group's overall financial position will provide additional support to its recovery and growth plan; and

b) fund the Group's order book and enable the Group to continue with its growth strategy. Notwithstanding the current economic environment, the Group's order book, secured at an acceptable margin, increased to R57 billion at 31 December 2011. The Board believes that the expected net proceeds may also be deployed to deliver the projects in the Group's order book and to provide greater flexibility to invest in core businesses to enable it to enhance its market positions, while pursuing potential growth opportunities in sub-Saharan Africa and Western Australia.

The Board has convened a general meeting in order for Shareholders to vote on resolutions necessary to proceed with the Rights Offer. Murray & Roberts will provide details of the general meeting to Shareholders in a separate notice.

CAUTIONARY ANNOUNCEMENT

Shareholders are advised that the final terms, pro forma financial effects and salient dates and times of the Rights Offer will be announced in due course. Shareholders are accordingly advised to exercise caution when dealing in the Company's securities until a further announcement regarding the Rights Offer is made.

Important Information

This document does not constitute an offer to sell, or a solicitation of an offer to subscribe for, the securities being issued in connection with the Rights Offer, in any jurisdiction. This document is not a prospectus. This document is not for distribution, directly or indirectly, in or into Australia, Canada or Japan or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. This document does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933 (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. There will be no public offer of such securities in the United States. The securities mentioned herein have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Rights Offer or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

This document contains "forward-looking statements" regarding the belief or current expectations of the Company, its directors and other members of its senior management about the Company's businesses, financial performance and results of operations. Generally, words such as, but not limited to, "may", "could", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue" or similar expressions identify forward-looking statements. These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and are difficult to predict, that may cause actual results, performance or developments to differ materially from any future results, performance or developments expressed or implied by the forward-looking statements. Further, actual developments in relation to the Rights Offer may differ materially from those contemplated by forward-looking statements depending on certain factors which include, but are not limited to, the risk that shareholders may not vote in favour of the resolutions. These forward-looking statements speak only as at the date of this document. Except as required by applicable law, the Company expressly disclaims any obligation to update or revise any forward-looking statements contained

herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.