

## **MURRAY AND ROBERTS HOLDINGS LIMITED**

### **MINUTES OF THE 55<sup>TH</sup> ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD ON MONDAY 27 OCTOBER 2003 AT 12:00 IN THE E G PRINGLE CONFERENCE ROOM, DOUGLAS ROBERTS CENTRE, SKEEN BOULEVARD, BEDFORDVIEW**

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**PRESENT:** Mr D C Brink presided at the meeting at which holders of 242 259 278 shares out of a total of 331 892 619 shares were present in person or represented by proxy.

**IN ATTENDANCE:** Mr T W Rensen – Acting Secretary

The Secretary called the meeting to order at 12:05.

#### **1. CONSTITUTION**

The Chairman welcomed those present at the meeting.

The Chairman stated that the Articles of Association of the Company provides that three members present in person and entitled to vote, constitutes a quorum.

As this requirement had been met, the Chairman declared the meeting to be duly constituted.

At the request of the Chairman the Secretary advised that 242 259 278 shares were represented either personally or by proxy at the meeting, amounting to 72,99% of the total issued shares in the capital of the Company.

#### **2. NOTICE OF MEETING**

With the unanimous consent of all members present, the notice of the meeting was taken as read.

#### **3. MINUTES OF THE PREVIOUS MEETING**

With the unanimous consent of all members present, the minutes of the 54<sup>th</sup> Annual General Meeting of shareholders held on 28 October 2002 were taken as read and signed by the Chairman as a correct record of the proceedings at that meeting.

#### **4. AGENDA ITEM 1 - ADOPTION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003**

With the unanimous consent of the members present, the report of the Auditors, the Directors' report and the Annual Financial Statements of the Company and of the Group for the year ended 30 June 2003 were taken as read.

On a proposal by the Chairman, seconded by Mr Joubert and put to the meeting, it was unanimously **RESOLVED** on a show of hands that the Annual Financial Statements of the Company and the Group Annual Financial Statements for the year ended 30 June 2003 together with the Directors' and Auditors' reports thereon be adopted as submitted.

5. **AGENDA ITEM 2 – RE-ELECTION OF DIRECTORS APPOINTED AFTER CONCLUSION OF THE COMPANY’S PRECEDING ANNUAL GENERAL MEETING**

The Chairman stated that Messrs R C Andersen and M J Shaw, who were appointed during the year in terms of Article 89 of the Company's Articles of Association, were retiring from office as directors and, being eligible, offered themselves for re-election.

On a proposal by the Chairman, seconded by Mr Smith it was unanimously **RESOLVED** on a show of hands that the re-election of directors who were appointed during the year, could be dealt with as a single resolution.

On a proposal by Mr Bruce seconded by Mr Smith, it was **RESOLVED** that Messrs R C Andersen and M J Shaw be and they are hereby re-elected as directors of the Company.

6. **AGENDA ITEM 3 – ROTATION AND RE-ELECTION OF DIRECTORS WITH LONGEST SERVICE SINCE THEIR LAST ELECTION**

The Chairman stated that in terms of Article 83 of the Articles of Association, Ms B N Bam, Prof W P Esterhuyse, Messrs S J Macozoma and J J M van Zyl were retiring from office as directors by rotation and being eligible, offered themselves for re-election.

On a proposal by the Chairman, seconded by Mr Smith and put to the meeting, it was unanimously **RESOLVED** on a show of hands that the re-election of directors who were in longest service since their last election could be dealt with as a single resolution.

On a proposal by Mr Rees, seconded by Mr Smith, it was **RESOLVED** that Ms B N Bam, Prof W P Esterhuyse, Messrs S J Macozoma and J J M van Zyl be re-elected as directors of the Company.

7. **AGENDA ITEM 4 – RE-APPOINTMENT OF AUDITORS**

The Chairman stated that no notification in terms of Section 270 (2) (c) of the Companies Act, 1973 had been received from Deloitte & Touche to the effect that they are unwilling to be re-appointed as the company's auditors. The Chairman proposed that Deloitte & Touche be re-appointed as auditors to the company until the close of the next annual general meeting of the company.

On a proposal by the Chairman seconded by Mr. Shaw and put to the meeting, it was unanimously **RESOLVED** on a show of hands that Deloitte & Touche be and they are hereby re-appointed as auditors to the company until the conclusion of the next Annual General Meeting of the company.

## 8. **AGENDA ITEM 5 - SPECIAL RESOLUTION NO.1**

The Chairman stated that the Companies Acts provides that a special resolution could only be considered if there was a quorum of at least one quarter of the total votes represented in person or by proxy, of all members entitled to attend and vote at the meeting. This requirement had been met and he declared the meeting to be properly constituted for the purposes of passing a special resolution.

With the unanimous consent of the members present, the special resolution, which was set out in the notice to members that had been circulated to members in the Annual Report, was taken as read.

### ADOPTION OF SPECIAL RESOLUTION NUMBER 1

The Chairman referred to the notice of meeting which set out a proposal to authorise the Company, or any subsidiary of the Company, by way of a general approval as contemplated in Sections 85 and 89 of the Companies' Act, 1973, as amended ("the Act"), to acquire shares issued by the Company, including the conclusion of derivative transactions which may result in the purchase of shares, upon such terms and conditions and in such amounts as the directors may from time to time decide, but subject to the relevant provisions of the Act and to the Listing Requirements of the JSE Securities Exchange South Africa in force at the time of acquisition."

On a proposal by the Chairman, seconded by Mr Andersen and put to the meeting, by a show of hands it had been unanimously **RESOLVED** that the following special resolution be passed with or without modification:

"RESOLVED THAT the directors of the Company be and are hereby authorised to approve the purchase by the Company, or by any of its subsidiaries, of the Company's shares (including the conclusion of derivative transactions which may result in the purchase of shares), subject to the provisions of the Companies Act and to the rules and requirements of the JSE Securities Exchange South Africa (JSE), provided that:

- (a) the general authority granted to the directors shall be valid only until the Company's next annual general meeting and shall not extend beyond 15 (fifteen) months from the date of this resolution;
- (b) any general purchase by the Company and/or any of its subsidiaries of the Company's ordinary shares in issue shall not in aggregate, in any one financial year, exceed 20% of the Company's issued ordinary share capital at the time that the authority is granted;
- (c) any acquisition must not be made at a price more than 10% above the weighted average of the market value of the share for the 5 (five) business days immediately preceding the date of such acquisitions;
- (d) the repurchase of securities being effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter party (reported trades are prohibited);

- (e) at any point in time, a company may only appoint one agent to effect any repurchase(s) on the Company's behalf;
- (f) an issuer or its subsidiary may not repurchase securities during a prohibited period;
- (g) the general authority may be varied or revoked, by special resolution, prior to the next annual general meeting of the Company; and
- (h) should the Company, or any of its subsidiaries, cumulatively repurchase, redeem or cancel 3% of the initial number of the company's shares in terms of this general authority, and for each 3% in aggregate of the initial number of that class acquired thereafter in terms of this general authority, an announcement shall be made in accordance with the listings requirements of the JSE".

## 9. **AGENDA ITEM 6: ORDINARY RESOLUTIONS**

The Chairman noted that subsequent to the publication of the Notice to Shareholders in the Annual Report, the Company had decided to withdraw Ordinary Resolutions 1 and 3. He requested the permission of the meeting to withdraw Ordinary Resolutions 1 and 3, which was unanimously granted.

### ORDINARY RESOLUTION NUMBER 2 – PLACING OF REMAINING UNISSUED ORDINARY SHARES UNDER CONTROL OF THE DIRECTORS

On a proposal by the Chairman, seconded by Mr Bruce and put to the meeting, by a show of hands the following ordinary resolution was passed.

#### ORDINARY RESOLUTION NUMBER 2:

"TO place 50 000 000 ordinary shares of the Company, not allotted nor issued as at 27 October 2003, under the control of the directors with general authorization to allot and issue these shares (including, but not limited to any allotment to ordinary shareholders as capitalisation shares) at such prices and upon such terms and conditions, as they deem it subject to the provisions of the Act, and the rules and requirements of the JSE and of the Securities Regulation Panel".

## 10. **FEES PAYABLE TO NON-EXECUTIVE DIRECTORS**

It was **NOTED** that the directors have passed a resolution that fees payable to non-executive directors with effect from the quarter 1 September 2003 will remain unchanged.

## 11. **GENERAL**

### 11.1 Trading Update

The Chairman proposed that it would be appropriate to give a brief update on the performance of the Group in the current financial year, in the context of the Prospects statements made in the 2003 annual report.

Mr Bruce, the Group Chief Executive, gave the following update:

"Murray & Roberts has adopted a cautious but still positive outlook for the financial year to 30 June 2004. The global economy remains relatively depressed and major capital investors in the domestic economy await clarity from pending legislation in the mining sector and seek confidence in the direction of SA Rand.

Considering the relative strength of the SA Rand, the Group has recast its budget projections at an average exchange rate of 7,25 to the US Dollar for the half year to 31 December 2003 and 7,50 to the US Dollar for the full-year to 30 June 2004. This is a reduction of 28% and 19% respectively against the previous corresponding periods and will have an impact on the financial performance of the Group.

Order books in the Group's mining and industrial contracting businesses are under pressure, but there is evidence of new project flows available in the new calendar year, which will only impact on the Group's performance from the 2005 financial year.

Middle East construction continues to command high working capital and the Group have decided to build a provision against client payment risk in the region. In Africa, construction remains high risk with long gestation periods characterising project development and award. Payment and approval delays continue to impact working capital and the Group will maintain its conservative approach to profit recognition.

The upturn in the domestic and regional construction and building markets has continued, supported by an improving interest and inflation rate regime and increased government expenditure in the sector. This increased activity is benefiting the Group's supply and services companies.

The Group's automotive and rolling stock operations are largely shielded from currency volatility and are experiencing improved market demand. The global demand for ISO tank containers has declined appreciably and the Group has been forced to institute radical cost reduction measures in this sector to maintain market leadership.

Murray & Roberts continues to pursue strategic partnerships to ensure value creation through its underlying business. The sale of 50% of AWI South Africa to Borbet of Germany has passed all regulatory hurdles and The UCW Partnership with J&J Group was recently launched. The Bombela Consortium, in which the Group holds a significant stake with local empowerment and international partners, has submitted a comprehensive proposal for the Gautrain Rapid Rail Project.

The Group's cash position remains strong and the operating margin is expected to remain within the target band of 5,0% to 7,5%."

The Chairman advised that the statement will be released on the SENS service of the JSE Securities Exchange South Africa after the meeting.

## 11.2 Retirement of Chairman

With the Chairman impending retirement on 31 December 2003, Mr Bruce expressed a formal of thanks to Mr Brink for his years of service to the Group.

In this regard Messrs Brink and Bruce extended welcoming wishes to Mr Andersen who has been appointed non-executive chairman with effect from 1 January 2004.

A vote of thanks was also extended to Ms Bam and Mr. Joubert who both reached the age of 70 recently, and will be retiring from the Board at the end of June 2004.

Mr Joubert was thanked for his role as the chairman of the Audit and Risk Management Committee, a position he has held until this annual general meeting. Mr Shaw was welcomed as the new Chairman of this Committee.

**12. CLOSURE**

There being no further business, the Chairman thanked those present for their attendance and declared the meeting closed.

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CHAIRMAN

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DATE