Murray & Roberts

REVIEWED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

Stop. Think. Act. 24/7

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
for the six months ended 31 December 2012

R millions	Reviewed 6 months to 31 December 2012	Reviewed[1]* 6 months to 31 December 2011	Audited[1] Annual 30 June 2012
Continuing operations			
Revenue	**16 344**	15 015	31 668
Profit/(Loss) before interest, depreciation and amortisation	**764**	(33)	243
Depreciation	**(349)**	(284)	(576)
Amortisation of intangible assets	**(15)**	(11)	(25)
Profit/(Loss) before interest and taxation (note 2)	**400**	(328)	(358)
Net interest expense	**(76)**	(90)	(248)
Profit/(Loss) before taxation	**324**	(418)	(606)
Taxation	**(109)**	(198)	(221)
Profit/(Loss) after taxation	**215**	(616)	(827)
Income from equity accounted investments	**112**	63	143
Profit/(Loss) from continuing operations	**327**	(553)	(684)
Profit from discontinued operations (note 3)	**93**	72	92
Profit/(Loss) for the period	**420**	(481)	(592)
Attributable to:			
– Owners of Murray & Roberts Holdings Limited	**262**	(528)	(736)
– Non-controlling interests	**158**	47	144
	420	(481)	(592)
Earnings/(Loss) per share from continuing and discontinued operations (cents)			
– Diluted	**64**	(161)	(214)
– Basic	**64**	(161)	(214)
Earnings/(Loss) per share from continuing operations (cents)			
– Diluted	**43**	(187)	(246)
– Basic	**44**	(187)	(247)
Net asset value per share (Rands)	**14**	12	13
SUPPLEMENTARY STATEMENT OF FINANCIAL PERFORMANCE INFORMATION			
Number of ordinary shares in issue ('000)	**444 736**	331 893	444 736
Reconciliation of weighted average number of shares in issue ('000)			
Weighted average number of ordinary shares in issue	**444 736**	367 784	382 712
Less: Weighted average number of shares held by The Murray & Roberts Trust	**(4 753)**	(6 678)	(6 338)
Less: Weighted average number of shares held by the Letsema BBBEE trusts	**(31 884)**	(31 955)	(32 115)
Less: Weighted average number of shares held by the subsidiary companies	**(1 303)**	(749)	(736)
Weighted average number of shares used for basic per share calculation	**406 796**	328 402	343 523
Add: Dilutive adjustment for share options	**4 012**	285	699
Weighted average number of shares used for diluted per share calculation	**410 808**	328 687	344 222

[1] *Restated for discontinued operations.*
* *The weighted average number of shares in issue have been adjusted in the prior period due to the rights issue made to shareholders in April 2012.*

Headline profit/(loss) per share from continuing and discontinued operations (cents) (note 4)			
– Diluted	**69**	(190)	(246)
– Basic	**69**	(190)	(246)
Headline profit/(loss) per share from continuing operations (cents) (note 4)			
– Diluted	**44**	(195)	(261)
– Basic	**44**	(195)	(262)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 31 December 2012

R millions	Reviewed 6 months to 31 December 2012	Reviewed 6 months to 31 December 2011	Audited Annual 30 June 2012
Profit/(Loss) for the period	**420**	(481)	(592)
Effects of cash flow hedges	**8**	16	20
Taxation related to effects of cash flow hedges	**(2)**	(5)	(4)
Effects of available-for-sale financial assets	**-**	-	(1)
Foreign currency translation movements	**134**	570	617
Total comprehensive income for the period	**560**	100	40
Attributable to:			
– Owners of Murray & Roberts Holdings Limited	**345**	(110)	(298)
– Non-controlling interests	**215**	210	338
	560	100	40

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
at 31 December 2012

R millions	Reviewed 6 months to 31 December 2012	Reviewed 6 months to 31 December 2011	Audited Annual 30 June 2012
ASSETS			
Non-current assets	**8 072**	5 964	8 394
Property, plant and equipment	**2 980**	3 511	3 600
Goodwill	**438**	438	437
Deferred taxation assets	**638**	535	634
Investments in associate companies	**1 013**	679	885
Amounts due from contract customers (note 5)	**2 181**	-	2 060
Other non-current assets	**822**	801	778
Current assets	**12 422**	13 518	13 143
Inventories	**315**	866	731
Trade and other receivables	**2 809**	2 548	2 127
Amounts due from contract customers (note 5)	**5 259**	6 462	6 806
Current taxation assets	**-**	-	91
Cash and cash equivalents	**4 039**	3 642	3 388
Assets classified as held-for-sale	**2 207**	1 142	905
TOTAL ASSETS	**22 701**	20 624	22 442
EQUITY AND LIABILITIES			
Total equity	**7 581**	5 268	7 102
Attributable to owners of Murray & Roberts Holdings Limited	**6 251**	4 130	5 887
Non-controlling interests	**1 330**	1 138	1 215
Non-current liabilities	**1 918**	3 169	1 596
Long-term liabilities[2]	**547**	2 615	494
Long-term provisions	**189**	147	165
Deferred taxation liabilities	**166**	334	211
Other non-current liabilities	**1 016**	73	726
Current liabilities	**12 614**	11 859	13 495
Amounts due to contract customers (note 5)	**3 312**	2 985	3 019
Accounts and other payables	**6 806**	7 714	8 609
Current taxation liabilities	**139**	112	175
Bank overdrafts[2]	**1 302**	523	39
Short-term loans[2]	**1 055**	525	1 653
Liabilities directly associated with assets classified as held-for-sale	**588**	328	249
TOTAL EQUITY AND LIABILITIES	**22 701**	20 624	22 442

[2] *Interest-bearing borrowings.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six months ended 31 December 2012

R millions	Stated capital, share capital and share premium	Other reserves	Retained earnings	Attributable to owners of Murray & Roberts Holdings Limited	Non-controlling interests	Total
Balance at 30 June 2011 (Audited)	757	189	3 275	**4 221**	1 100	**5 321**
Total comprehensive income/(loss) for the period	-	418	(528)	**(110)**	210	**100**
Treasury shares acquired (net)	3	-	-	**3**	-	**3**
(Disposal)/purchase of non-controlling interests (net)	-	-	-	**-**	(95)	**(95)**
Net movement in non-controlling interests loans	-	-	-	**-**	(13)	**(13)**
Recognition of share-based payment	-	18	-	**18**	-	**18**
Transfer to non-controlling interests	-	(2)	-	**(2)**	2	**-**
Dividends declared and paid	-	-	-	**-**	(66)	**(66)**
Balance at 31 December 2011 (Reviewed)	760	623	2 747	**4 130**	1 138	**5 268**
Total comprehensive income/(loss) for the period	-	20	(208)	**(188)**	128	**(60)**
Rights issue to owners of Murray & Roberts Holdings Limited (net of transaction costs)	1 910	-	-	**1 910**	-	**1 910**
Treasury shares acquired (net)	40	-	-	**40**	-	**40**
(Disposal)/purchase of non-controlling interests (net)	-	-	(12)	**(12)**	(57)	**(69)**
Net movement in non-controlling interests loans	-	-	-	**-**	(8)	**(8)**
Disposal of business	-	(1)	-	**(1)**	-	**(1)**
Issue of shares to non-controlling interests	-	-	-	**-**	23	**23**
Transfer to retained earnings	-	(32)	32	**-**	-	**-**
Recognition of share-based payment	-	15	-	**15**	-	**15**
Dividends declared and paid[3]	-	-	(7)	**(7)**	(9)	**(16)**
Balance at 30 June 2012 (Audited)	2 710	625	2 552	**5 887**	1 215	**7 102**
Total comprehensive income for the period	-	83	262	**345**	215	**560**
Issue of shares to non-controlling interests	-	-	-	**-**	1	**1**
Net movement in non-controlling interests loans	-	-	-	**-**	(29)	**(29)**
Transfer to non-controlling interests	-	(2)	-	**(2)**	2	**-**
Recognition of share-based payment	-	21	-	**21**	-	**21**
Dividends declared and paid	-	-	-	**-**	(74)	**(74)**
Balance at 31 December 2012 (Reviewed)	2 710	727	2 814	**6 251**	1 330	**7 581**

[3] *Dividends relate to distributions made by entities that hold treasury shares.*

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the six months ended 31 December 2012

R millions	Reviewed 6 months to 31 December 2012	Reviewed 6 months to 31 December 2011	Audited Annual 30 June 2012
Cash generated by/(utilised in) operations	**549**	(1 373)	(1 580)
Interest received	**51**	49	107
Interest paid	**(128)**	(159)	(388)
Taxation paid	**(96)**	(146)	(429)
Operating cash flow	**376**	(1 629)	(2 290)
Dividends paid to owners of Murray & Roberts Holdings Limited	**-**	-	(7)
Dividends paid to non-controlling interests	**(74)**	(66)	(75)
Cash flow from operating activities	**302**	(1 695)	(2 372)
Acquisition of businesses	**-**	(14)	(15)
Acquisition of share capital in start up company	**-**	-	(10)
Acquisition of non-controlling interests	**-**	-	(48)
Dividends received from associate companies	**26**	16	46
Acquisition of associates	**-**	-	(133)
Increase in investments	**-**	(67)	(67)
Purchase of other investments by discontinued operations	**-**	(50)	(40)
Purchase of investment property	**-**	-	(20)
Purchase of intangible assets other than goodwill	**(11)**	(5)	(17)
Purchase of property, plant and equipment by discontinued operations	**(4)**	(36)	(34)
Purchase of property, plant and equipment	**(554)**	(430)	(959)
– Replacements	**(151)**	(138)	(569)
– Additions	**(403)**	(292)	(390)
Proceeds on disposal of property, plant and equipment	**25**	66	164
Proceeds on disposal of businesses (note 7)	**80**	857	822
Proceeds on disposal of assets held-for-sale	**72**	95	127
Proceeds on disposal of investments in associates	**-**	6	15
Cash related to acquisition/(disposal) of businesses	**-**	-	(271)
Cash related to assets held-for-sale	**(104)**	(83)	258
Proceeds from loan repayments and dividends received	**66**	-	165
Other (net)	**4**	(2)	2
Cash flow from investing activities	**(400)**	353	(15)
Net (decrease)/increase in borrowings	**(641)**	1 077	342
Treasury share disposals (net)	**-**	3	43
Proceeds on share issue to non-controlling interests	**1**	-	23
Proceeds from rights issue to owners of Murray & Roberts Holdings Limited (net of transaction costs)	**-**	-	1 910
Cash flow from financing activities	**(640)**	1 080	2 318
Net decrease in cash and cash equivalents	**(738)**	(262)	(69)
Net cash and cash equivalents at beginning of period	**3 349**	3 054	3 054
Effect of foreign exchange rates	**126**	327	364
Net cash and cash equivalents at end of period	**2 737**	3 119	3 349

CONDENSED CONSOLIDATED SEGMENTAL ANALYSIS
for the six months ended 31 December 2012

R millions	Reviewed 6 months to 31 December 2012	Reviewed[1] 6 months to 31 December 2011	Audited[1] Annual 30 June 2012
Revenue[4]			
Construction Africa and Middle East	**3 463**	4 379	8 108
Engineering Africa	**2 548**	2 322	5 213
Construction Global Underground Mining	**4 019**	4 696	9 859
Construction Australasia Oil & Gas and Minerals	**6 314**	3 618	8 484
Corporate & Properties	**-**	-	4
Continuing operations	**16 344**	15 015	31 668
Discontinued operations	**2 428**	2 866	5 476
	18 772	17 881	37 144
Continuing operations			
Profit/(Loss) before interest and taxation[5]			
Construction Africa and Middle East	**33**	(779)	(1 317)
Engineering Africa	**35**	103	200
Construction Global Underground Mining	**86**	335	605
Construction Australasia Oil & Gas and Minerals	**334**	82	286
Corporate & Properties	**(88)**	(69)	(132)
Profit/(Loss) before interest and taxation	**400**	(328)	(358)
Net interest expense	**(76)**	(90)	(248)
Profit/(Loss) before taxation	**324**	(418)	(606)
Discontinued operations			
Profit before interest and taxation[5]	**125**	111	180
Net interest expense	**(1)**	(20)	(32)
Profit before taxation	**124**	91	148

[4] *Revenue is disclosed net of inter-segmental revenue. Inter-segmental revenue for the Group is R167 million (2011: R41 million and June 2012: R257 million).*
[5] *The chief operating decision maker utilises profit/(loss) before interest and taxation in the assessment of a segment's performance.*

SEGMENTAL ASSETS
at 31 December 2012

R millions	Reviewed 6 months to 31 December 2012	Reviewed 6 months to 31 December 2011	Audited Annual 30 June 2012
Construction Africa and Middle East	**5 096**	4 996	5 683
Engineering Africa	**1 776**	1 652	2 102
Construction Products Africa	**2 315**	2 762	2 755
Construction Global Underground Mining	**3 305**	3 324	3 606
Construction Australasia Oil & Gas and Minerals	**4 315**	2 822	3 995
Corporate & Properties	**1 217**	891	188
	18 024	16 447	18 329
Reconciliation of segmental assets			
Total assets	**22 701**	20 624	22 442
Deferred taxation assets	**(638)**	(535)	(634)
Current taxation assets	**-**	-	(91)
Cash and cash equivalents	**(4 039)**	(3 642)	(3 388)
	18 024	16 447	18 329

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 condensed reviewed consolidated financial statements have been prepared in compliance with the Listings Requirements of the JSE Limited, the recognition and measurement requirements of International Financial Reporting Standards ("IFRS"), the requirements of International Accounting Standards ("IAS") 34, Interim Financial Reporting, SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the South African Companies Act, No. 71 of 2008. These statements were compiled under the supervision of Mr AJ Bester, the Group Financial Director.

The accounting policies used in the preparation of these results are in accordance with IFRS and are consistent in all material respects with those used in the audited annual financial statements for the year ended 30 June 2012.

The review has been conducted in accordance with International Standards on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor, Deloitte & Touche, and their unmodified review opinion is available for inspection at the Company's registered office. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Group's external auditors.

2. Profit/(Loss) before interest and taxation

Profit/(loss) before interest and taxation includes the following significant items:

R millions	31 December 2012	31 December 2011	30 June 2012
GPMOF	**-**	(600)	(1 189)
Middle East operations	**-**	(231)	(387)
Other impairments	**(20)**	-	(25)
	(20)	(831)	(1 601)
Items by nature[1]			
Cost of sales	**(14 854)**	(14 516)	(30 628)
Distribution and marketing expenses	**(4)**	(5)	(14)
Administration expenses	**(1 296)**	(1 084)	(2 259)
Other operating income	**210**	262	875
	(15 944)	(15 343)	(32 026)

3. Profit from discontinued operations

The Group disposed of a portion of its Steel Business at the beginning of the 2013 financial year, with the sale of the remaining portion currently being finalised and payment expected to be received in March 2013. The Board has taken the decision to dispose of the Group's Construction Products Africa operating platform as it's operations are considered to be non-core to the Group. The Construction Products Africa operating platform comprises of the following entities: Hall Longmore; Rocla; Much Asphalt; Ocon; Technicrete and UCW. The Group continues to dispose of its investment properties. The sale of UCW was finalised in January 2013 and proceeds are expected to be received by June 2013.

R millions	31 December 2012	31 December 2011	30 June 2012
Revenue	**2 428**	2 866	5 476
Profit before interest, depreciation and amortisation	**159**	161	268
Depreciation and amortisation	**(34)**	(50)	(88)
Profit before interest and taxation	**125**	111	180
Net interest expense	**(1)**	(20)	(32)
Taxation expense	**(31)**	(19)	(57)
Income from equity accounted investments	**-**	-	1
Profit from discontinued operations	**93**	72	92
Non-controlling interests relating to discontinued operations	**(9)**	15	20
Cash flows from discontinued operations include the following:			
Cash flow from operating activities	**(13)**	36	(139)
Cash flow from investing activities	**(74)**	839	1 089
Cash flow from financing activities	**73**	(356)	(483)
Net (decrease)/increase in cash and cash equivalents	**(14)**	519	467

4. Reconciliation of headline profit/(loss)

R millions	31 December 2012	31 December[1] 2011	30 June[1] 2012
Profit/(Loss) attributable to owners of Murray & Roberts Holdings Limited	262	(528)	(736)
Investment property fair value adjustments	-	-	(32)
Profit on disposal of businesses (net)	(50)	(59)	(47)
Profit on disposal of associates (net)	-	(5)	(13)
Loss/(Profit) on disposal of property, plant and equipment (net)	1	(30)	(44)
Impairment of goodwill and other assets*	20	-	24
Fair value adjustment and loss/(profit) on disposal of assets held-for-sale	47	(29)	(29)
Other (net)	-	-	(4)
Non-controlling interests effects on adjustments	4	18	21
Taxation effects on adjustments	(2)	10	14
Headline profit/(loss)	282	(623)	(846)
Adjustments for discontinued operations:			
Profit from discontinued operations	(93)	(72)	(92)
Non-controlling interests	9	(15)	(20)
Investment property fair value adjustments	-	-	20
Profit on disposal of businesses (net)	50	59	47
Profit on disposal of associates (net)	-	5	3
Profit on disposal of property, plant and equipment (net)	-	-	(1)
Impairment of other assets*	(20)	-	(25)
Fair value adjustment and (loss)/profit on disposal of assets held-for-sale	(47)	29	29
Non-controlling interests effects on adjustments	(4)	(20)	(18)
Taxation effects on adjustments	2	(3)	3
Headline profit/(loss) from continuing operations	179	(640)	(900)

[1] *Restated for discontinued operations.*

* *The impairment relates to an assessment performed of the fair value less costs to sell in comparison to the carrying value of plant and equipment in the Construction Products Africa operating platform.*

5. Contracts-in-progress and contract receivables

R millions	31 December 2012	31 December 2011	30 June 2012
Contracts-in-progress (cost incurred plus recognised profits, less recognised losses)	2 149	1 435	2 849
Uncertified claims and variations less payments received on account (recognised in terms of IAS 11: Construction Contracts)	1 849	2 203	1 951
Uncertified claims and variations	1 849	2 675	2 001
Less: Payments received on account	-	(472)	(50)
Amounts receivable on contracts (net of impairment provisions)	3 054	2 539	3 642
Retentions receivable (net of impairment provisions)	388	285	424
	7 440	6 462	8 866
Amounts received in excess of work completed	(3 312)	(2 985)	(3 019)
	4 128	3 477	5 847
Disclosed as:			
Amounts due from contract customers – non-current	2 181	-	2 060
Amounts due from contract customers – current	5 259	6 462	6 806
Amounts due to contract customers – current	(3 312)	(2 985)	(3 019)
	4 128	3 477	5 847

During the period between December 2011 and June 2012, circumstances changed and developed which resulted in a portion of amounts due from contract customers being expected to be received only after 12 months from the end of June 2012. Therefore, these amounts have been classified as non-current on the statement of financial position. Management considers these amounts to be fully recoverable. No further change in circumstances has occurred between June 2012 and December 2012.

6. Contingent liabilities

Contingent liabilities are related 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	31 December 2012	31 December 2011	30 June 2012
Operating lease commitments	2 161	1 968	2 058
Contingent liabilities	1 280	1 238	1 445
Financial institution guarantees	10 639	9 740	10 285

The Competition Commission ("Commission") engaged the construction industry in April 2011 and the Group submitted applications through the April 2011 Fast-Track process. A provision was raised based on the potential violations that were identified as a result of this process. The Board is of the opinion that the provision raised for this liability is adequate to cover any additional penalties that may arise as a result of the investigation. However, there is no guarantee as to the size of the penalty or the sufficiency of the provision.

7. Business acquisitions/disposals

The Group did not make any acquisitions during the six months ended 31 December 2012.

The Group disposed of a portion of the Steel Business during the course of this financial period.

8. Dividend

The Board has resolved not to declare a dividend.

9. Related party transactions

There have been no significant changes to the nature of related party transactions since 30 June 2012.

10. Events after reporting date

The directors are not aware of any matter or circumstance arising after the period ended 31 December 2012, not otherwise dealt with in the Group's interim results, which significantly affects the financial position at 31 December 2012 or the results of its operations or cash flows for the period then ended.

COMMENTARY

SALIENT FEATURES

- Strong improvement in Health and Safety
- Return to profitability
- Revenue improved by 9% to R16,3 billion
- Attributable earnings improved from a loss of R528 million to a profit of R262 million
- HEPS improved from a loss of 190 cents to a profit of 69 cents
- Order book stable at R48,3 billion
- Net cash of R1,1 billion
- Disposal of non-core assets commenced

Positioned for Growth

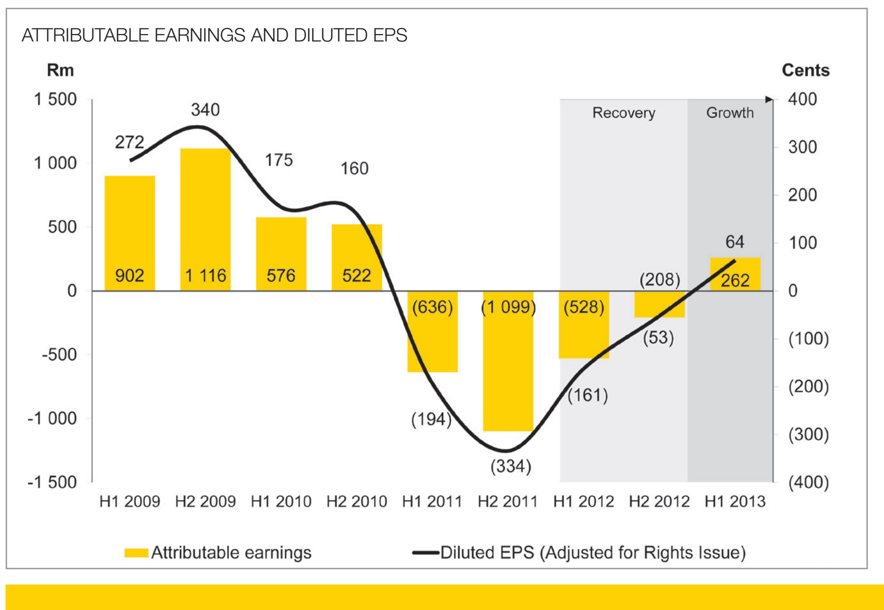
The Board is pleased to announce that the Group has returned to profitability, mainly as a result of the completion of problematic contracts, which reported losses in prior financial periods.

Following the Global Financial Crisis and major losses on several large projects, Murray & Roberts on 1 July 2011 embarked on a three year *Recovery & Growth* strategy. The plan for the *Recovery* year to June 2012 was successfully implemented and the Board approved the *Growth* strategy for the 2013 and 2014 financial years.

In developing the *Growth* strategy, the Board evaluated all market sectors and geographies in which the Group is active, with the objective to identify those market sectors and geographies that present the best long-term financial growth potential to shareholders.

The Group's current operating platforms are no longer optimally aligned with those market sectors and geographies identified. The *Growth* strategy is thus primarily focused on disposals and acquisitions. Achieving increased profitability in the South African operations will also continue to be a priority.

Financial Report for the six months ended 31 December 2012 and Cautionary Announcement



As stated in the Business Update released to stakeholders on 31 October 2012 and the Cautionary included in this reviewed interim results announcement, the companies within the Construction Products Africa operating platform are considered to be non-core. These businesses have accordingly been classified as discontinued operations. The financial results of the previous corresponding reporting period have been restated on the same basis.

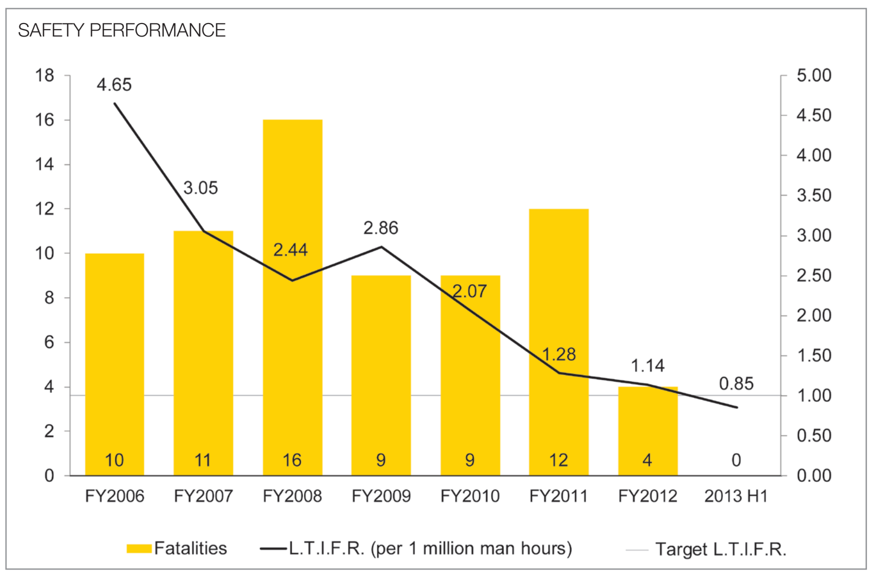
For the six months ended 31 December 2012, the Group generated revenue of R16,3 billion (December 2011: R15,0 billion) and reported attributable earnings of R262 million (2011: R528 million attributable loss). Diluted earnings per share were 64 cents (December 2011: 161 cents diluted loss per share) and diluted headline earnings per share were 69 cents (December 2011: 190 cents diluted headline loss per share).

Further as was stated in the Business Update of 31 October 2012, the impact of the industrial and labour unrest on the Group's profit, was approximately R200 million.

R500 million long-term debt was repaid in September 2012. At December 2012 the Group's net cash position was R1,1 billion (December 2011: R21 million net debt).

The Group is pleased to report that its order book was maintained at R48,3 billion, with the offshore component increasing to 60% (December 2011: 40%). The average potential margin imbedded in the order book is within the Group's strategic range of 5,0% to 7,5%.

Health and Safety



Murray & Roberts achieved a record low lost time injury frequency rate (LTIFR) of 0.85 (December 2011: 1.04) for the first six months of the 2013 financial year. No fatality was recorded during the half year reporting period. This outcome was made possible by the continuous commitment to safety by all Murray & Roberts employees and subcontractors.

The Stop.Think brand has been enhanced to include the new dimension of Act.24/7 and the new brand Stop.Think.Act.24/7 was launched on 20 November 2012 to 200 Murray & Roberts senior executives. "Act" emphasises the importance of taking action to correct unsafe conditions and behaviours as well as recognising positive behaviour whilst "24/7" highlights the need of safety awareness at all times whether at work or at home. This initiative aims to establish consistency in leadership interactions on construction sites across the Group, to increase leadership visibility and to actively build a stronger safety culture.

Update on the Group's Major Claim Processes

The uncertified revenue moderately reduced to R1,8 billion (2012: R2,0 billion). The Group's uncertified revenue previously recognised on challenging projects is considerably lower than the estimated value of its claims. These claims have been taken to book in compliance with IAS11 (Construction Contracts) following engagement with independent legal, commercial and claims consultants.

- ***Gautrain Rapid Rail link ("Gautrain")*** – The hearing for the arbitration of the major delay and disruption claim against the Gauteng Provincial Government has been scheduled to commence in May 2014. It is expected that a ruling on the principle of the claim will be made by December 2014 and on quantum by December 2015. The arbitration regarding the dispute on the water ingress matter on the Rosebank Station to Park Station section of the tunnel commenced in September 2012 and will continue in March 2013, with a ruling expected by June 2013. The Gautrain continues to operate safely.
- ***Gorgon Pioneer Materials Offloading Facility ("GPMOF")*** – Following a successful ruling on the principle of the design change claim, the resulting arbitration process on the quantum of this claim has been delayed. The arbitrator delivered an interim award on 19 December 2012 that the quantum should include all related costs incurred and the client is challenging this ruling in the Australian Supreme Court. Accordingly, it is unlikely that this design change quantum claim will be resolved in the current financial year. The commercial process on the balance of the claims is now only expected to be resolved during financial year 2014.
- ***Dubai International Airport*** – According to legal advice on the UAE Supreme Court's ruling of 19 February 2013, the Dubai Government is the respondent to the claim and the arbitration panel has the jurisdiction to decide all matters referred to it for adjudication. The arbitration is expected to be concluded by December 2013.

The Board and management remain committed to the resolution of all contractual disputes and the collection of proceeds from claim settlements, while recognising that this will be a challenging and protracted process.

Operating Performance**

Construction Africa and Middle East:

	Construction Africa		Marine		Middle East		Total	
R millions	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Revenue	**2 993**	2 892	**184**	559	**286**	928	**3 463**	4 379
Operating profit/(loss)	**34**	81	**45**	(621)	**(46)**	(239)	**33**	(779)
Margin (%)	**1%**	3%	**24%**	-111%	**-16%**	-26%	**1%**	-18%
LTIFR (Fatalities)	**0.86 (0)**	0.83 (0)	**0 (0)**	0 (0)	**0.35 (0)**	0.51 (0)	**0.68 (0)**	0.63 (0)
Order book	**6 886**	8 612	**314**	449	**1 447**	1 605	**8 647**	10 666

Revenues decreased 21% to R3,5 billion (2011: R4,4 billion) with an operating profit of R33 million (2011: R779 million operating loss). The order book decreased to R8,6 billion (June 2012: R9,0 billion). Notwithstanding the challenging South African industrial relations environment, in particular as experienced at the Medupi power station contract, the platform returned a modest profit.

The Group looks forward to participating in Government's plans for new major project infrastructure spend in the construction sector. However, new major construction projects and investment in infrastructure development (roads, dams, power stations, railway lines, sea ports, schools and hospitals) have been slow to come to market and should remain an imperative.

The Company has curtailed its activities in the Middle East and is focussing on closing out issues on legacy projects. The Group currently has one project under construction in the Middle East and will pursue new opportunities on a selective basis.

The platform will continue to focus on infrastructure opportunities in South Africa and the rest of Africa and remains well positioned to participate in projects that come to market.

Construction Global Underground Mining:

	Africa		Australasia		The Americas		Total	
R millions	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Revenue	**1 614**	2 725	**552**	454	**1 853**	1 517	**4 019**	4 696
Operating (loss)/profit	**(137)**	142	**51**	48	**172**	145	**86**	335
Margin (%)	**-9%**	5%	**9%**	11%	**9%**	10%	**2%**	7%
LTIFR (Fatalities)	**2.26 (0)**	2.24 (2)	**0 (0)**	1 (0)	**1.11 (0)**	1.24 (1)	**1.95 (0)**	2.15 (3)
Order book	**4 621**	11 052	**831**	1 164	**3 619**	3 862	**9 071**	16 078

Revenues decreased 14% to R4,0 billion (2011: R4,7 billion) while operating profit declined to R86 million (2011: R335 million). The order book increased to R9,1 billion (June 2012: R8,8 billion) despite cancellations on tendered as well as awarded contracts. The improvement in the order book is primarily due to new project awards.

The South African operation was impacted by the loss of the Aquarius contract, labour unrest, postponement of two large projects, as well as two loss-making contracts. Although the international mining operations in Canada and Australia are experiencing more favourable market conditions, they also suffered the consequences of project cancellations and postponements. The international businesses continue to perform well with margins in excess of the Group's strategic target range.

Construction Global Underground Mining will continue to pursue growth opportunities globally, which may include acquisitions in the medium term.

Construction Australasia Oil & Gas and Minerals[6]:

	Engineering		Projects		Commis-sioning and Asset Support		Fabrication, Corporate overheads and Other		Total	
R millions	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Revenue	**2 070**	1 253	**3 131**	2 028	**516**	216	**597**	121	**6 314**	3 618
Operating profit/(loss)	**298**	170	**216**	107	**39**	8	**(219)**	(203)	**334**	82
Margin (%)	**14%**	14%	**7%**	5%	**8%**	4%	**-37%**	-168%	**5%**	2%
LTIFR (Fatalities)									**0.09 (0)**	0.28 (0)
Order book									**22 017**	15 353

[6] *Excluding Forge. Forge is an associate and is equity accounted at 36% (December 2011:33%) within Clough's consolidated results.*

Murray & Roberts has a 62% share in Clough, and Clough has a 36% share in Forge. Both Clough and Forge are listed companies on the Australian Stock Exchange.

Clough performed exceptionally well in favourable market conditions. Revenue and operating profit, excluding Forge, increased to R6,3 billion (2011: R3,6 billion) and R334 million (2011: R82 million) respectively, aided by a weakening Rand exchange rate. The order book increased to R22,0 billion (June 2012: R19,4 billion). As at 31 December 2012, Clough's order book was 77% cost reimbursable and 94% leveraged to the LNG sector.

Clough recently announced the acquisition of e2o (Proprietary) Limited, a leading provider of specialised commissioning, completion and hazardous area inspection services to the energy and resources sectors.

Forge Limited returned a solid financial performance with both revenues and operating profit increasing by 151% and 102% respectively.

Full details of the Clough and Forge financial results for the interim period and their prospects have been published on their websites www.clough.com.au and www.forgegroup.com.au respectively.

Engineering Africa:

	Power Programme[7]		Engineering[8]		Total	
R millions	**2012**	2011	**2012**	2011	**2012**	2011
Revenue	**2 010**	1 876	**538**	446	**2 548**	2 322
Operating profit/(loss)	**96**	102	**(61)**	1	**35**	103
Margin (%)	**5%**	5%	**-11%**	-	**1%**	4%
LTIFR (Fatalities)	**0.77 (0)**	0.86 (0)	**0.50 (0)**	0.58(0)	**0.61(0)**	0.80 (0)
Order book	**7 093**	12 822	**627**	791	**7 720**	13 613

[7] *Murray & Roberts Projects power programme contracts and Genrec.*

[8] *Includes Wade Walker, Concor Engineering and Murray & Roberts Projects non-power programme projects.*

Revenues increased to R2,5 billion (2011: R2,3 billion), whilst operating profit reduced to R35 million (2011: R103 million). The order book increased to R7,7 billion (June 2012: R6,8 billion). The improvement in the order book is primarily due to order book movements on the power programme.

Murray & Roberts Projects and Genrec continue to perform well and in line with expectations on the Medupi and Kusile power projects. However, poor performance was recorded in both Concor Engineering and Wade Walker.

Engineering Africa will maintain its focus on engineering and construction services in Sub-Saharan Africa, whilst positioning itself for new opportunities in the energy, water, minerals and the oil & gas market segments. This operating platform will establish a position in the water sector by developing this capacity in-house, rather than by acquisition as was previously contemplated.

Disposal of non-core assets:

	Crane Hire Services (Johnson Arabia)		Steel Reinforcing Products		Clough Marine Services & Properties		Properties SA		Construction Products[9]		Total	
R millions	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Revenue	**-**	114	**471**	655	**27**	377	**2**	5	**1 928**	1 715	**2 428**	2 866
Operating profit/(loss)	**-**	2	**16**	(24)	**(2)**	(19)	**2**	47	**109**	105	**125**	111
Trading	**-**	2	**16**	(24)	**(2)**	(19)	**2**	47	**129**	105	**145**	111
Asset impairment	**-**	-	**-**	-	**-**	-	**-**	-	**(20)**	-	**(20)**	-
Margin (%)	**-**	2%	**3%**	-4%	**-7%**	-5%	**100%**	940%	**6%**	6%	**5%**	4%
Order book	**-**	-	**-**	-	**-**	-	**-**	-	**863**	1 193	**863**	1 193

[9] *Includes Hall Longmore, Rocla, Much Asphalt, Ocon, Technicrete and UCW.*

On 29 January 2013 the Group announced the disposal of Union Carriage & Wagon Company ("UCW") to the CTE Consortium, a consortium including CTE Investments (Proprietary) Limited and the Industrial Development Corporation. The Group has realised fair value in the sale price, which was in excess of the carrying value.

The disposal of the Steel Business became unconditional following approval received from the Competition Commission ("Commission").

All businesses within the Construction Products Africa operating platform, other than Hall Longmore, are performing in line with expectations.

Competition Commission

Press articles with regard to collusion in the construction industry were recently published and this matter was subsequently extensively reported on in various media. This is not the first time that collusive activity has been reported on and it has been a matter of investigation by the Commission for a number of years.

Murray & Roberts was one of the first companies in the sector to bring conduct of this nature to the attention of the Commission and has engaged in extensive internal investigations, with the assistance of independent external legal advisers, to uncover the conduct. We are confident that any historical conduct of this nature within the Group has been rooted out.

Murray & Roberts supports free and competitive trading in every jurisdiction in which we operate and has zero tolerance for any anti-competitive or corrupt behaviour. The Group has implemented specific actions to prevent transgressions in the future. These include the enforcement of our Statement of Business Principles, annual compliance declarations by all executives, compliance declarations with each tender submitted and ongoing compliance training.

The Commission has engaged with various players in the construction industry on applications submitted through the 2011 Fast-Track process. The Group has participated in this process but has not yet reached finality with the Commission regarding the potential penalty relating to historic anti-competitive practices. The Board is of the view that it has adequately provided for potential penalties.

Dividend

The Board has resolved not to declare a dividend for the half-year. Shareholders will be updated on the prospects of a dividend for the full financial year at the time that the annual results are announced in August 2013.

Board of Directors

During the period, Mr. Tony Routledge, Dr. Namane Magau and Dr. Sibusiso Sibisi retired from the Board. Our sincere thanks are extended to all of these directors for their commitment and contribution. Ms.Thenjiwe Chikane joined the Board in June 2012 as a non-executive director and a member of the Audit & Sustainability Committee and Risk Management Committee.

Effective 1 March 2013, Adv. Mahlape Sello will replace Mr. Roy Andersen as non-executive chairman, following his planned retirement, as announced in August 2012. The Board would like to thank Mr. Andersen for his valued counsel and wish him well in his future endeavours.

Prospects Statement

The Group's vision is to be a leading diversified engineering and construction Group in the global underground mining market and selected emerging markets in the natural resources and infrastructure sectors by 2020. These market sectors present the best future growth potential for the Group.

Implementation of Murray & Roberts' *Growth* strategy will better position the Group to sustain growth and profitability in the medium to long term. The Board is of the view that the improvement in the earnings trend will continue.

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

Cautionary Announcement

Shareholders are advised that the Company has entered into advanced discussions with potential buyers with regard to the proposed disposal of the companies and underlying assets held in the Construction Products Africa platform.

Accordingly, shareholders are advised to exercise caution when dealing in the Company's securities until a detailed announcement including/or a withdrawal of cautionary announcement is published.

On behalf of the directors

Roy Andersen	Henry Laas	Cobus Bester
Chairman of the Board	Group Chief Executive	Group Financial Director

Bedfordview
28 February 2013

*** 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 the six month period ended 31 December 2011.*

Disclaimer

This announcement includes certain various "forward-looking statements" within the meaning of Section 27A of the US Securities Act 10 1933 and Section 21 E of the Securities Exchange Act of 1934 that reflect the current views or expectations of the Board with respect to future events and financial and operational performance. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: the Group's strategy; the economic outlook for the industry; use of the proceeds of the rights offer; and the Group's liquidity and capital resources and expenditure. These forward-looking statements speak only as of the date of this announcement and are not based on historical facts, but rather reflect the Group's current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "expect", "anticipate", "intend", "should", "planned", "may", "potential" or similar words and phrases. The Group undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of this announcement or to reflect the occurrence of any unexpected events. Neither the content of the Group's website, Clough's website, Forge's website nor any website accessible by hyperlinks on the Group's website is incorporated in, or forms part of, this announcement.

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")

Registered office:
Douglas Roberts Centre, 22 Skeen Boulevard
Bedfordview, 2007
PO Box 1000, Bedfordview, 2008

Registrar:
Link Market Services South Africa Proprietary Limited
13th Floor, Rennie House, 19 Ameshoff Street
Braamfontein 2001
PO Box 4844, Johannesburg, 2000

Sponsor:
Deutsche Securities (SA) (Proprietary) Limited

Secretary:
E Joubert

Directors:
RC Andersen* (Chairman)
HJ Laas (Group Chief Executive)
DD Barber* AJ Bester TCP Chikane*
O Fenn[1] JM McMahon[1]* WA Nairn*
M Sello* RT Vice*
[1]British *Non-executive

OVEREND