



SIX MONTHS TO 31 DECEMBER 2002

Performance Review

Rebuilding Murray & Roberts





Strategic Model

REBUILDING MURRAY & ROBERTS



Rebuilding Murray & Roberts



REBUILDING MURRAY & ROBERTS

“Our commitment to sustainable earnings growth and value creation is not negotiable”





Highlights

SIX MONTHS TO 31 DECEMBER

Operating Profit	up	102%
Core Earnings	up	86%
Ongoing Revenues	up	25%
Operating Margin	up to	5,0%

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Highlights

SIX MONTHS TO 31 DECEMBER

Interim Dividend Resumed

at

15 cps

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Performance Review

SIX MONTHS TO 31 DECEMBER

2002

2001

(cents per share)

CORE EARNINGS

85

45

Treasury (Loss) Gain

(15)

30

HEADLINE

70

75

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Performance Review

AT END OF PERIOD 2002

DEC

JUNE

(R million)

PROJECT ORDER BOOK

5 905

5 800

Turnover Relative

115%

121%

15% Growth in Real Terms

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Leadership

EXECUTIVE ACCOUNTABILITY

**Products Sector Leadership
& Executive Director**

KEITH SMITH

**Industry & Mining Leadership
& Engineering Solutions CEO**

SEAN FLANAGAN

**Building & Civil Engineering Leadership
& Construction CEO**

STEPHEN PELL

**Projects Sector Leadership
& Group CEO**

BRIAN BRUCE

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Leadership

EXECUTIVE ACCOUNTABILITY

Engineering & Technology Leadership & Group Chief Engineer	ROLAND BERNDT
Systems & Procurement Leadership	DAN MODZELEWSKI
Commercial & Risk Leadership	MILLARD ARNOLD
Financial & Investment Leadership & Executive Director	ROGER REES

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Balance Sheet

AT END OF PERIOD 2002	DEC (R million)	JUNE
TOTAL ASSETS Cash Fixed & current	5 979 1 402 4 577	6 373 1 979 4 394
EQUITY & LIABILITIES Permanent capital Non-current liabilities Current liabilities	5 979 2 546 478 2 955	6 373 2 657 609 3 107

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Changes in Equity

AT END OF PERIOD 2002

DEC
(R million)

JUNE

	DEC (R million)	JUNE
AT 1 JULY	2 648	1 982
Attributable Earnings	230	505
Translation Gain (Loss)	(215)	169
Other	(9)	(8)
Dividend	(116)	-
AT 31 DECEMBER	2 538	2 648

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Income Statement

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

REVENUE (Ongoing)

5 164

4 117

EBITDA

379

254

Depreciation & Amortisation

(118)

(125)

EBIT (Operating Profit)

261

129

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Income Statement

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

OPERATING PROFIT

261

129

Exceptional items

Net Interest

Treasury (loss) gain

Taxation

Associate & Outside Shareholders

-

(2)

(49)

(29)

49

(27)

(12)

98

(12)

44

ATTRIBUTABLE

230

220

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Cash Flow

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

GENERATED BY OPS

367

189

Finance Costs & Taxation
Change in Working Capital

(31)

(18)

(359)

(3)

OPERATING CASH FLOW

(23)

168

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Cash Flow

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

OPERATING CASH FLOW

(23)

168

Dividends - Paid
- Received

(116)

-

29

17

Capital Expenditure

(119)

(229)

Net Investment Activities

-

76

Translation (loss) gain

(49)

98

NET CASH IN

(278)

130

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Ratios

AT END OF PERIOD 2002

DEC

JUNE

(R million)

DEBT / EQUITY

14%

19%

CURRENT

137%

140%

OPERATING EBIT

Turnover
Average Total Assets

5,0%

4,3%

8,5%

6,5%

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Unitrans

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

Murray & Roberts Share

44,9%

44,9%

HEADLINE EARNINGS

54

44

Profit (Loss) on disposal of assets
Goodwill Amortised

0
(4)

3
(2)

ATTRIBUTABLE

50

45

DIVIDEND

-

-

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Segmental Analysis

SIX MONTHS TO 31 DECEMBER
Revenue

2002

2001

(R million)

Building & Civil Engineering

1 777

1 546

+15%

Industry & Mining

878

692

+27%

Fabrication & Manufacture

789

546

+45%

Supplies & Services

1 698

1 307

+30%

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Segmental Analysis

SIX MONTHS TO 31 DECEMBER
Revenue

2002

2001

(R million)

Building & Civil Engineering

55

43

+28%

Industry & Mining

64

32

+100%

Fabrication & Manufacture

60

35

+71%

Supplies & Services

120

70

+71%

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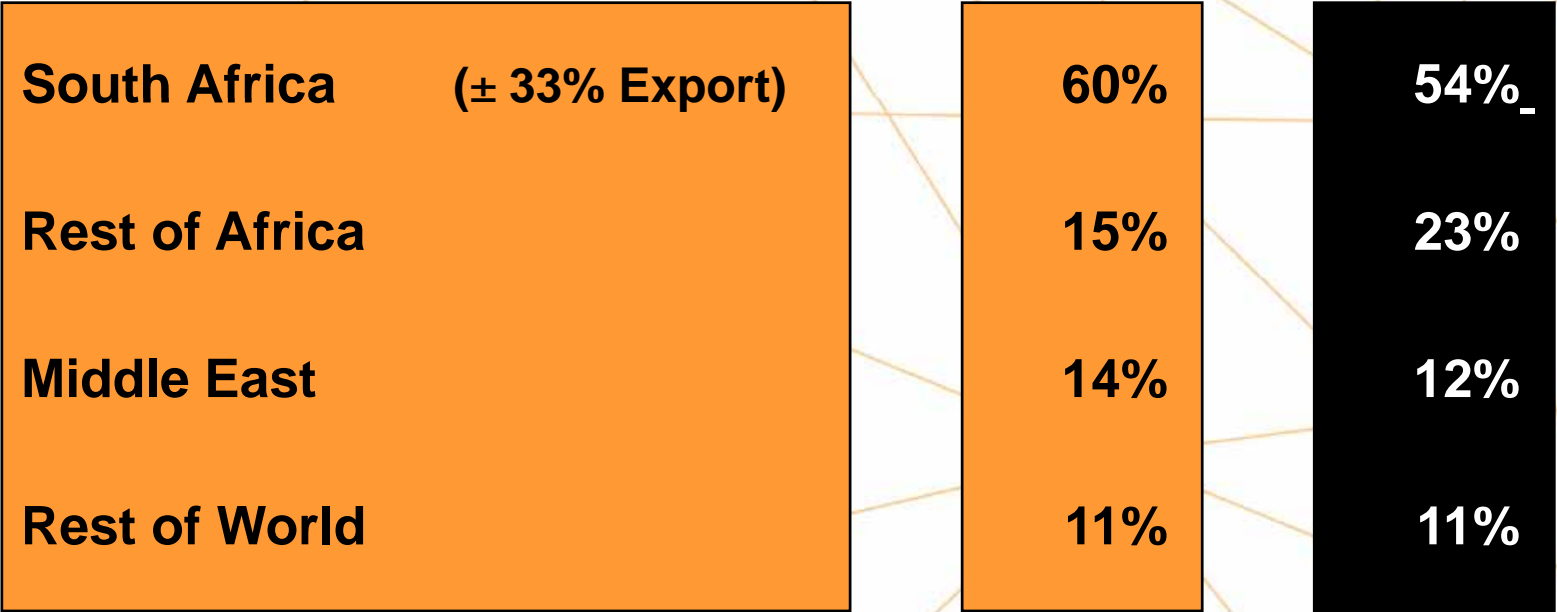
Geographic Analysis

YEAR TO 30 JUNE

2003

2002

Revenue



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Value per Share

SIX MONTHS TO 31 DECEMBER

2002

2001

(cents)

CASH & BANK BALANCES

422

498

NET ASSETS

765

746

MARKET

1 270

730

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RESOLUTION ACCOUNTABILITY

PROPERTY HEADLEASES

- A further review will be undertaken at 30 June 2003 to establish the adequacy of the long-term provision.

ALLOY WHEELS INTERNATIONAL

- The manufacturing business of AWI (UK) was sold with effect from 30 June 2002 and certain protective rights in favour of the Group and its customers have been satisfied.





Areas of Concern

RESOLUTION ACCOUNTABILITY

MURRAY & ROBERTS FOUNDRIES

- Gearings Foundry
- Port Elizabeth Foundry
- Cosmar and Gemtec Foundry

Edwin Hewitt



GENREC

- Engineering
- ME&I Contracting
- Elgin/Pefco



Rob Noonan
Sean Flanagan
John Hoare

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Areas of Concern

RESOLUTION ACCOUNTABILITY

MURRAY & ROBERTS CIVILS

- Gorongosa Project Mozambique
- N3 Toll Road ICW & URR
- Abomey/Ketou Project Benin

Richard Saxby



BOOKER TATE

- Indonesia
- Kenya and Uganda
- Pension Fund Deficit



Bryan Dyer

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Building & Civil Engineering

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

	2002	2001
REVENUE	<u>1 777</u>	<u>1 546</u>
Building	1 170	976
Civil Engineering	607	570
EBIT	<u>55</u>	<u>43</u>
Building	27	15
Civil Engineering	28	28
CAPITAL EMPLOYED	(7)	(140)

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STEPHEN PELL

“Our Construction activities, which have been consolidated into a single global Industrial Civil Engineering and Building business, as well as our Roads & Earthworks operations, where new executive leadership has been introduced, are positioning to engage our design-build strategy to leverage value creation.”





Industry & Mining

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

	2002	2001
REVENUE	<u>878</u>	<u>692</u>
Industrial	657	444
Mining	221	248
EBIT	<u>64</u>	<u>32</u>
Industrial	51	15
Mining	13	17
CAPITAL EMPLOYED	278	273

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SEAN FLANAGAN

“We continue to see strong investment levels in the Industry and Mining sectors of South Africa, reflecting our strong currency, robust economy and increasing economic growth.

Our order book includes prospects in gold, platinum and diamond mining in Southern Africa, offshore oil & gas on the African west and east coasts and Industrial expansion in South Africa. The latter is focused mainly on the pulp & paper and petrochemical sectors.

We approach our market as a Unitary Murray & Roberts in servicing the needs of our Industry & Mining clients.”





Fabrication & Manufacture

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

	2002	2001
REVENUE	<u>789</u>	<u>546</u>
Automotive	335	275
Transport	454	271
EBIT	<u>60</u>	<u>35</u>
Automotive	17	14
Transport	43	21
CAPITAL EMPLOYED	546	581

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KEITH SMITH

“The transport and automotive clusters have delivered significant value propositions to the markets they serve. Their challenge is to develop sustainability of performance where market leadership is secured through design and innovation and world-class fulfillment.

The future will be built on these solid foundations, including a renewed emphasis on working in partnerships to provide solutions to the existing market and an increasing number of new customers.”





Supplies & Services

SIX MONTHS TO 31 DECEMBER

2002

2001

(R million)

REVENUE	<u>1 698</u>	<u>1 307</u>
Lifting Services	79	63
Infrastructure Services	421	364
Steel Conversion	1 198	880
EBIT	<u>120</u>	<u>70</u>
Lifting Services	6	4
Infrastructure Services	38	23
Steel Conversion	76	43
CAPITAL EMPLOYED	713	616

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KEITH SMITH

“The turnaround of Infrastructure Services and Steel Conversion is complete. Both Clusters will concentrate their attention on strengthening leadership in each of their niche markets, ongoing technology upgrade and the opportunity for shared services.

It is envisaged that these clusters will continue to deliver sustainable returns, underpinned by the proposed increase in infrastructure spend.”



ANNUAL REPORT 2002

***“A material increase in earnings per share
will result from real growth in revenues and
a further improvement in profit margins”***

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Prospects

REBUILDING MURRAY & ROBERTS

THE TURNAROUND

- Return on Shareholders Funds 20 % ✓
- Operating Margin 5 % ✓
- Attributable Earnings R 600 million ?

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Strategic Kaleidoscope

THANK YOU

This presentation is available on

www.murrob.com

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