

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE 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 ¹ Annual 30 June 2012
<i>Continuing operations</i>			
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

R millions	Reviewed 6 months to 31 December 2012	Reviewed 6 months to 31 December 2011	Audited Annual 30 June 2012
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 Letsemma 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

* 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)

	Reviewed 6 months to 31 December 2012	Reviewed 6 months to 31 December 2011	Audited Annual 30 June 2012
- 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	Attributable to owners of Murray & Roberts Holdings Limited			Non-controlling interests	Total	
	Stated capital, share premium	Other reserves	Retained earnings			
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 ²	-	-	(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

² 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)	(958)
- 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
Revenue⁴	3 463	4 379	8 108
Construction Africa and Middle East	2 548	2 322	5 213
Engineering Africa	4 019	4 696	9 859
Construction Global Underground Mining	6 314	3 618	8 484
Construction Australasia Oil & Gas and Minerals	-	-	4
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

R millions	Reviewed 6 months to 31 December 2012	Reviewed 6 months to 31 December 2011	Audited Annual 30 June 2012
Profit/(Loss) before interest and taxation⁵	33	(779)	(1 317)
Construction Africa and Middle East	35	103	200
Engineering Africa	86	335	605
Construction Global Underground Mining	334	82	286
Construction Australasia Oil & Gas and Minerals	(88)	(69)	(132)
Corporate & Properties	400	(328)	(358)
Profit/(Loss) before interest and taxation	(76)	(90)	(248)
Net interest expense	324	(418)	(606)
Profit before interest and taxation⁵	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
GP/MOF	-	(600)	(1 189)
Middle East operations	-	(231)	(387)
Other impairments	(20)	-	(25)
	(20)	(831)	(1

NOTES (continued)

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 ²	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)
<i>Adjustments for discontinued operations:</i>			
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 ²	(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.

² 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
<i>Disclosed as:</i>			
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.

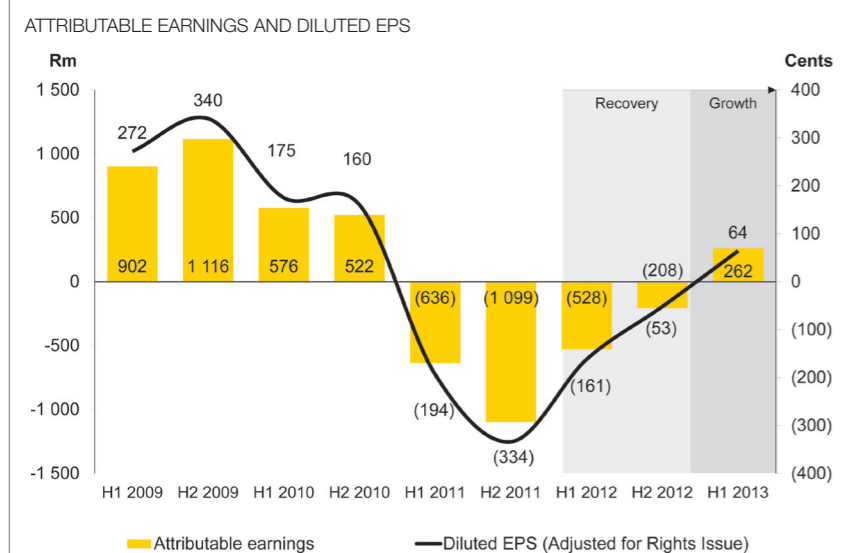
Following the Global Financial Crisis and major losses on several large projects, Murray & Roberts on 1 July 2011 embarked on a three year *Recovery & Growth* strategy. The plan for the *Recovery* year to June 2012 was successfully implemented and the Board approved the *Growth* strategy for the 2013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

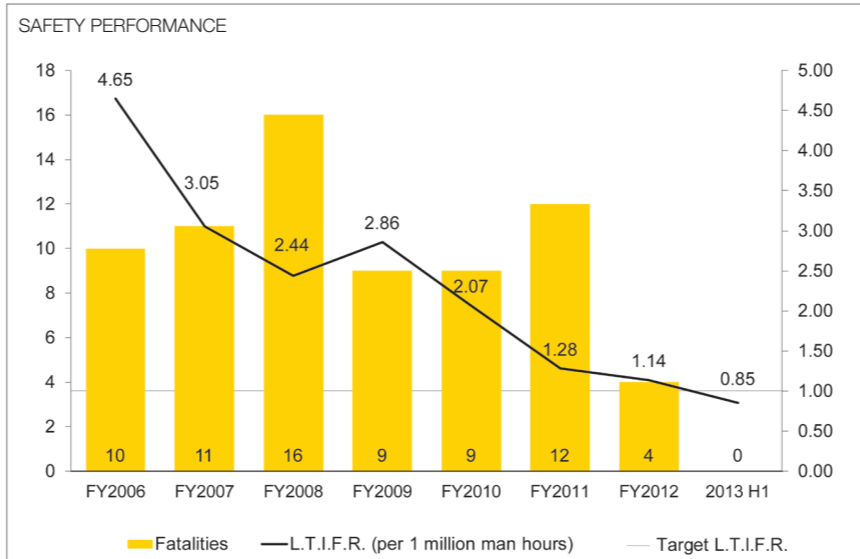
For the six months ended 31 December 2012, the Group generated revenue of R16,3 billion (December 2011: R15,0 billion) and reported attributable earnings of R262 million (2011: R528 million attributable loss). Diluted earnings per share were 64 cents (December 2011: 161 cents diluted loss per share)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

R millions	Construction Africa		Marine		Middle East		Total	
	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:

R millions	Africa		Australasia		The Americas		Total	
	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*:

R millions	Engineering		Projects		Commissioning and Asset Support		Fabrication, Corporate overheads and Other		Total	
	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

* 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:

R millions	Power Programme ⁷		Engineering ⁸		Total	
	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:

R millions	Crane Hire Services (Johnson Arabia)		Steel Reinforcing Products		Clough Marine Services & Properties		Properties SA		Construction Products ⁹		Total	
	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