



Annual Results Presentation

for the year ended 29 February 2008

19 May 2008



Agenda

- The Year in Review
- Highlights
- Financial Review
- Divisional Review
- Acquisitions
- Corporate Information
- Current Projects
- Prospects
- Conclusion



“We are very pleased with the past year’s performance, both operationally and financially.”

“Through our strategy of acquisitive and organic growth, we have transformed into a sizeable industry player with the skills and capacity to grow our order book and meet the increasing demand for our line of work.”

Koos Raubenheimer, CEO

Operating since 1974 and listed on the JSE Limited in March 2007, Raubex is firmly entrenched as a leader in road construction, rehabilitation and associated infrastructure developments across all nine South African provinces and throughout southern Africa.

Through its Raumix subsidiary, the company also produces and supplies crushed aggregate to the broader construction industry.



The Year in Review

- Successful listing on 20 March 2007
- Strong share price performance, mid-cap position
- Completion of five value enhancing acquisitions
- Solid performance by all three divisions; in line with expectations
- Business positioned for continued solid growth
- Effects of rain
- Eskom

Group Financial Highlights

- Revenue up 79,4% to R2,14bn (2007: R1,19bn)
- Operating profit up 121,7% to R431,3m (2007:R194,5m)
- Group operating margin up 23,9% to 20,2% (2007: 16,3%)
- HEPS up 116,2% to 180,1 cps (2007: 83,3 cps)
- Strong cash flow from operations up 125,7% to R448,8m (2007: R198,9m)
- Capex spend of R244,6m (2007:R113,8m)
- Final dividend of 40 cps declared – total dividend of 60 cps

Group Operational Highlights

➤ Operating margins

- Roadmac 18,7%
- Raubex Construction 18,3%
- Raumix 28,2%

➤ Acquisitions finalised

- Space Construction
- B&E International
- Thaba Bosiu Construction & Zamori Construction
- Queenstown & Aliwal Quarries
- Bonn Plant Hire & Akasia Road Surfacing

➤ Solid order book up 68% to R2,7bn

Financial Review – Income Statement

	Audited Feb 2008	Audited Feb 2007	Pro forma Feb 2008	Pro forma Feb 2007
Revenue (R'000)	2,135,778	1,190,860	2,748,605	1,600,920
% growth	79,4%	58,3%	71,7%	-
EBIT (R'000)	431,760	200,763	553,313	274,234
% growth	115,1%	146,7%	101,8%	-
Profit before tax (R'000)	417,771	205,281	532,117	272,927
Profit after tax (R'000)	295,618	138,858	375,682	188,991
Share incentive scheme expenses (R'000)*	14,361	-	14,361	-
Operating margin	20,2%	16,3%	20,1%	17,1%
Operating margin growth %	23,9%	69,9%	17,5%	78,0%
Effective tax rate	29,1%	32,4%	29,4%	30,8%
EPS (cents)	180,9	85,3	204,5	116,4
EPS growth %	112,1%	133,1%	75,7%	218,0%
DPS (cents)	60	-	60	-
ROCE	28,7%	44,7%	23,6%	36,8%
Weighted average shares in issue ('000)	162,641	100,000	182,624	162,130
Number of Staff	4200	2885	-	-

* Expenses included in EBIT number



Financial Review – Balance Sheet

(R'000)	Feb 2008	Feb 2007
Non-current assets	882,132	326,197
Property, plant and equipment	670,837	290,398
Intangible assets	198,939	16,533
Other	12,356	19,266
Current assets	1,165,049	420,922
Inventory	50,440	17,628
Receivables	380,732	275,763
Construction contracts in progress	73,644	44,264
Cash	660,233	83,267
Total assets	2,047,181	747,119
Equity	1,136,529	307,287
Non-current liabilities	370,922	142,378
Current liabilities	539,730	297,454
Trade and other payables	318,624	246,007
Other	221,106	51,447
Total equity and liabilities	2,047,181	747,119

Financial Review – Cashflow

(R '000)	Feb 2008	Feb 2007
Cash flows from operating activities		
Cash generated from operations	448,814	198,881
Finance income	12,997	16,815
Finance costs	(27,986)	(12,296)
Taxation paid	(43,777)	(66,524)
Net cash from operating activities	390,048	136,876
Cash flows from investing activities		
Additions of fixed assets	(244,584)	(113,831)
Proceeds from sale of fixed assets	22,759	22,732
Acquisition of subsidiaries	(57,143)	(1,276,049)
Associates loans and dividends received	5,731	36
Net cash from investing activities	(273,237)	(1,367,112)
Cash flows from financing activities		
Net proceeds from borrowings	119,169	29,670
Net proceeds from shares issued	379,531	1,283,600
Dividends paid to equity holders of company	(32,426)	(35,989)
Dividends paid to minority shareholders	(200)	(29,516)
Net cash from financing activities	466,074	1,247,765
Total cash movement for the period	582,885	17,529
Cash at the beginning of the period	77,329	59,800
Total cash at end of the period	660,213	77,329

Dividend Declaration

➤ Final dividend declared – 40 cps

- Total dividend of 60 cents per share
- 3x cover maintained in-line with the pre-listing guidance

➤ Relevant dates

- | | |
|----------------------------------|-----------------------|
| ▪ Last day to trade cum dividend | Friday, 6 June 2008 |
| ▪ Commence trading ex dividend | Monday, 9 June 2008 |
| ▪ Record date | Friday, 13 June 2008 |
| ▪ Payment date | Tuesday, 17 June 2008 |

Financial Review – Segmental Analysis

Segmental Analysis (R'000)	Raumix	Roadmac	Raubex Construction	Consolidated
Feb08				
Revenue	362,916	1,252,902	519,960	2,135,778
Operating profit	102,240	233,922	95,120	431,282
Operating Margin	28,2%	18,7%	18,3%	20,2%
Feb 07				
Segmental Revenue	27,780	685,150	477,930	1,190,860
Operating profit	11,439	134,732	48,334	194,505
Operating Margin	41,2%	19,7%	10,1%	16,3%
Geographical segments (R'000)	Local	% of Group	International	% of Group
Feb 08				
Segmental Revenue	1,990,906	93,2%	144,872	6,8%
Operating profit	407,734	94,5%	23,548	5,5%
Operating Margin	20,5%	-	16,3%	-
Feb 07				
Segmental Revenue	1,047,247	87,9%	143,613	12,1%
Operating profit	186,654	96%	7,851	4%
Operating Margin	17,8%	-	5,5%	-

Roadmac

- Revenue increased 82,9% to R1,25bn (2007: R685,2m)
- Operating profit increased 73,6% to R233,9m (2007: R134,7m)
- Operating margin decrease to 18,7% (2007: 19,7%) due to the unusually high number of rain days
- 58,7% of total group revenue
- Capex of R76,2m
- Order book near capacity – R1,26bn
- Manufactured and paved over 500 000 tons of asphalt
- Surfaced 1,570km or 10 million square meters of roads

Contribution of acquisitions

	National Asphalt	Milling Techniks
Profit after tax	R11,2m	R31,5m
Price paid	R30,1m	R25,0m

Roadmac Strategic Outlook

- Developing into an 'annuity' business
- Work pipeline growth in-line with road infrastructure spend
- Margins to stabilise and remain flat
- Strategic acquisition of Bonn Plant Hire & Akasia Road Surfacing

Raubex Construction

- Revenue up 8,8% to R520m (2007: R477,9m)
- Operating profit up 96,8% to R95m (2007: R48,3m)
- Operating margin improved to 18,3% (2007: 10,1%)
- Lower margin contracts completed
- Large work pipeline anticipated
- Order book at R1,47bn
- Capex of R67,6m
- Capacity increase through acquisitive and organic growth
- Completed/partially completed 273km of major drainage structure and 36 bridges and large culverts

Raubex Construction Strategic Outlook

- Continued strong demand and pipeline over the next 5-7 years
- Opportunity to increase margins slightly
- Increased focus on PPP concessions
- Closely monitoring the rest of Africa

Raumix

- Revenue increased 1206% to R362,9m (2007: R27,8m)
- Operating profit up 794% to R102,2m (2007: R11,4m)
- Operating margin decrease to 28,2% (2007: 41,2%)
- Acquisitions of B&E International and Queenstown & Aliwal Quarries completed

B&E production contribution

	Excl. B&E (Mts)	Incl. B&E (Mts)
Contract Crushing	1,0	6,7
Commercial Crushing	1,5	2,5
Mining	15,0	40,9

Contribution of acquisitions

	SPH Kundalila	Queenstown & Aliwal
Profit after tax	R31,6m	R4m
Price paid	R162m	R34m

Raumix Strategic Outlook

- B&E and SPH significantly increase contract mining exposure; strong demand in this segment
- Slight slowdown in demand from residential developers offset by increase in demand from civil contractors
- Continually seeking selective acquisition targets
- Margin decrease following acquisitions

Raubex Construction International

- Revenue flat at R144,9m (2007: R143,6m)
 - 6,8% of Group total
- Operating profit increase by 200% to R23,5m
 - 5,5% of Group total
- Operating margin improved to 16,3%
- Tremendous work pipeline
- Cautious growth approach maintained
- Gaining experience for future African expansion

Acquisitions

➤ Space Construction

- Raubex Construction
- R50m
- Capacity/CIDB
- KZN geographic expansion

➤ Thaba Bosiu & Zamori Construction

- Raubex Construction
- R100m
- Capacity/CIDB
- Young & vibrant management team

➤ B & E International

- Raumix division
- R513m
- Increase mining/contract crushing capabilities
- Leading mobile crushing company
- Synergies with all divisions



Acquisitions

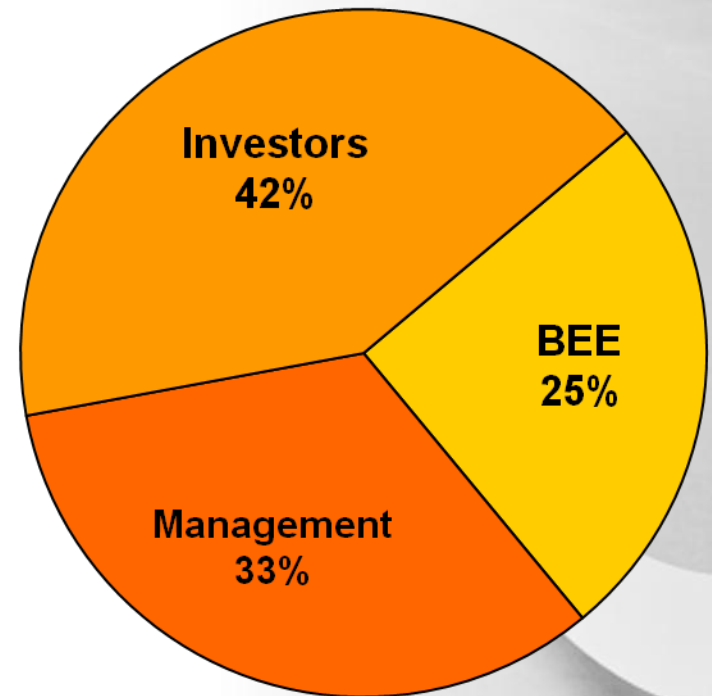
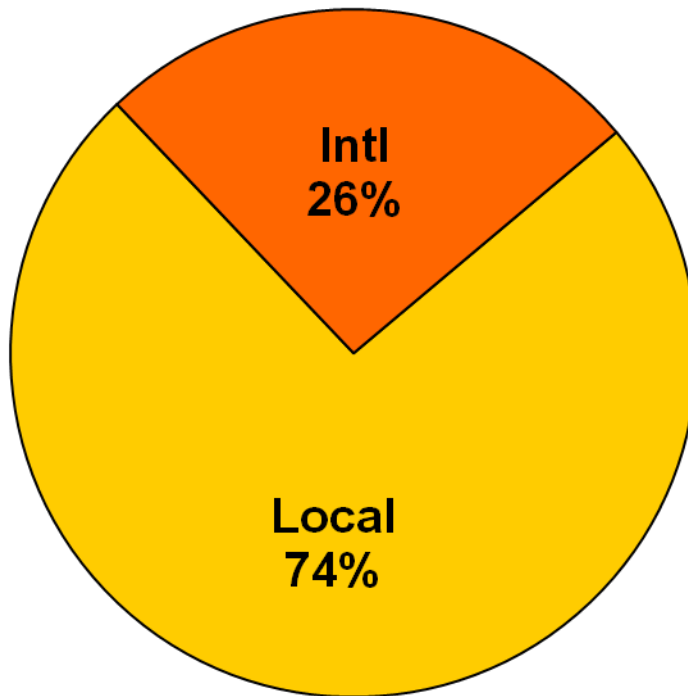
➤ Queenstown & Aliwal Quarries

- Raumix division
- R34m
- Eastern Cape footprint
- Secure supply

➤ Bonn Plant Hire & Akasia Road Surfacing

- Roadmac division
- R117m
- Gauteng capacity building
- Fleet expansion and asphalt manufacturing
- Secure supply

Shareholder Spread at Year End



Current Projects

- Upington / Bloemfontein / Port Elizabeth Airports
- N1 – Springfontein to Bethulie
- East London access road
- Zambia – R520m total contracts awarded to date

Prospects

- Large budgets allocated by governments
- Country roads upgrade programme
 - R23bn allocated for Phase 1 of Gauteng freeway scheme (R55bn total spend)*
 - 180km upgraded by 2010
 - Total freeway network of 561km by 2018
 - R70bn allocated for upgrade and maintenance until 2011*
- PPPs
 - 47 toll gates around Gauteng by 2011*
- Further selective acquisition opportunities

Conclusion

- Strong financial performance
- Business transformed into a sizeable and credible industry player
- Entrepreneurial spirit intact
- Balance of acquisitive and organic growth
- Accelerated demand for our line of work
- Capacity created to grow order book
- Capacity flexibility



Q & A

