

RAUBEX GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2006/023666/06)

JSE Share code: RBX

ISIN: ZAE000093183

("Raubex" or "the Company")

TRADING STATEMENT IN RESPECT OF THE SIX MONTH PERIOD ENDED 31 AUGUST 2018

In terms of paragraph 3.4(b) of the JSE Limited Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied that, with a reasonable degree of certainty, the financial results for the current reporting period will differ by at least 20% from the financial results of the previous corresponding period.

Shareholders are advised that Raubex expects its earnings per share and headline earnings per share for the six month period ended 31 August 2018 to be at least 20% lower than the earnings per share and headline earnings per share from the previous corresponding period. This translates to earnings per share and headline earnings per share being at least 26,8 cents and 26,2 cents lower than the earnings per share and headline earnings per share of 134,0 cents and 131,1 cents achieved in the previous corresponding period respectively.

This decrease is a result of continued weak conditions in the South African construction industry, particularly in the road construction sector, where lower SANRAL spend is now impacting Raubex subsidiaries both in the road construction operations and in the road rehabilitation and maintenance operations, which includes the supply of asphalt and bitumen to the market. The Company is currently reviewing its operations exposed to the South African road construction sector and has embarked on rightsizing initiatives to reduce capacity in line with the current low level of demand being experienced.

The materials division, which contributed 54,5 % of the Company's total operating profit for the year ended 28 February 2018, has continued to experience stable conditions during the first quarter of the current financial year.

The infrastructure division is experiencing favourable conditions in the affordable housing sector. As previously announced, this division has also secured work to the value of R678 million in the renewable energy sector, which is subject to financial close, related to the Renewable Energy Independent Power Producer Procurement Programme ("REIPPPP"). These works have not been included in the order book and are only expected to commence in the second half of this financial year. The prospects for this division are very encouraging with further work in the REIPPPP anticipated to be secured.

The Company's diversified operations, strong balance sheet and right sizing initiatives positions it well to manage the ongoing challenging conditions in the road construction sector.

In terms of paragraph 3.4(b)(iii)(3) of the JSE Limited Listings Requirements, once more certainty is obtained, the Company will provide further guidance.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors.

Centurion
18 June 2018

Sponsor
Investec Bank Limited