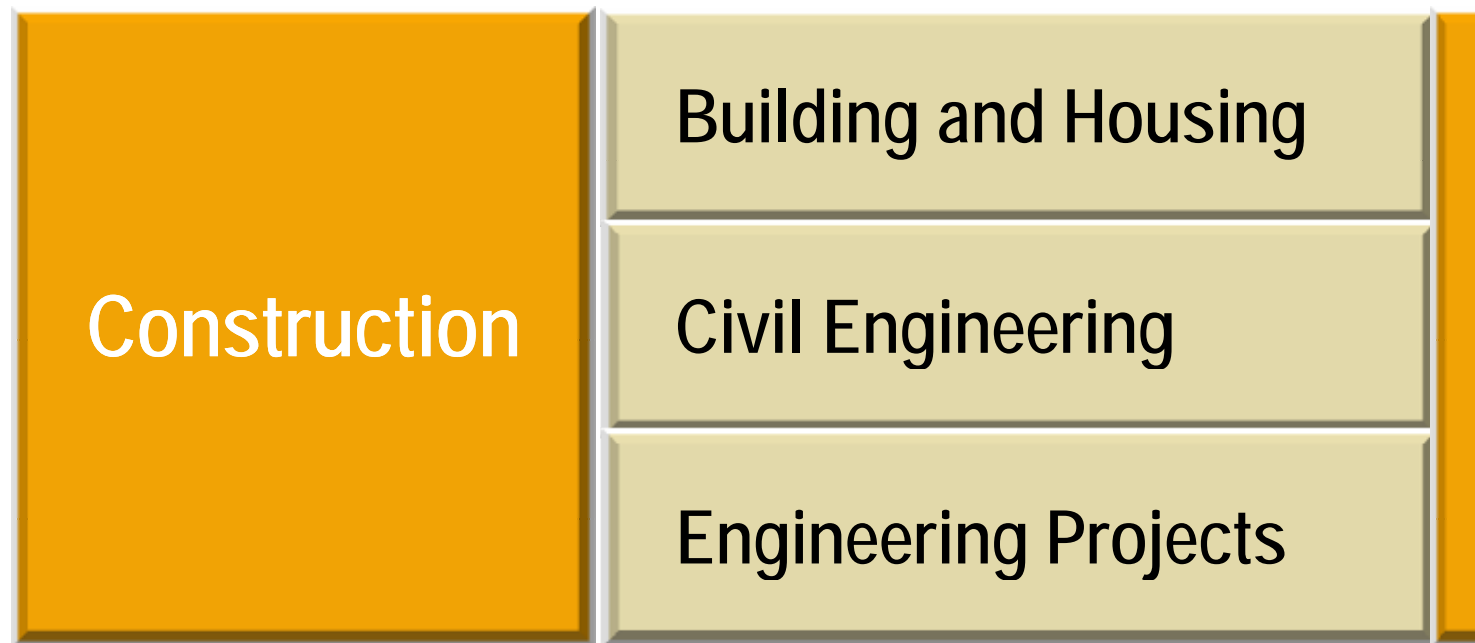




INVESTOR MANAGEMENT DAY – CONSTRUCTION

Construction Segment Structure





BUILDING AND HOUSING

Building and Housing



National

KwaZulu-Natal

Western Cape

International

Components

Markets:

Housing

Building – Private Sector Market

Building – Public Sector Market



Housing

Housing Strategy - Positioning

Flexible to adapt to changing market conditions

Mass Market vs Single Dwelling Opportunities

Market of operation

- Single dwelling unit opportunities not being sought
- Will be positioned in line with our operating strength in schemes of 100 to 5000 units

Turnkey Housing Projects

Strategy related to land availability agreements, where transfer price is only paid on conveyancing of complete property

No speculative land purchases

Supply a full service ranging from identifying appropriate land opportunities to delivery of dwelling units

- Project management of all processes, i.e. EIA zoning, town planning, etc. to put the appropriate rights in place
- Infrastructure servicing of the property
- Construction and delivery of top structures

Higher margin business

Housing Strategy - Positioning

Entry Level Focus

- ❏ Not low cost RDP market
- ❏ Focusing on the range of R250K – R700K; majority of the market will be bonded
- ❏ Typical residential unit sizing 60 – 110m²

Mining and Infrastructure

- ❏ Following the mining expansion, especially Platinum, and the residential requirements related thereto
- ❏ Residential township requirements related to large infrastructure projects, e.g. Mmamabula Power Station (a R1,2bn opportunity)



*Building –
Private Sector Market*

Building – Private Sector Market

Power Challenges

- ⚡ Temporary power for construction operations can be overcome through generator back-up facilities
- ⚡ Biggest effect is on our power applications on new developments - effectively a 6-month moratorium in place
- ⚡ Possible opportunities for IPP (Independent Power Projects) and co-generation

Slow down in high rise residential

- ⚡ Typically has been an investor market
- ⚡ Lack of rental tenants – second/holiday home market

Building – Private Sector Markets

Commercial demand

- ▣ Still commercial demand in prime areas
- ▣ High demand for commercial opportunity with highway visibility
- ▣ Sites with approved rights and power will dictate

Industrial opportunities

- ▣ Still a strong demand for industrial sites with approved zoning
- ▣ Power comments as before applicable



*Building –
Public Sector Market*

BUILDING – Public Sector Market

Infrastructure opportunities




- Large specialised opportunities, e.g. power stations
- Public sector will continue to roll out as a consequence of the backlog
- Longer term contracts with longer term revenue streams

PPP/Concessions – Commercial



- Public sector PPP commercial office buildings
(e.g. Department of Education, a current contract being executed)
- Government preferred procurement route; more opportunities will become available
- Competition restricted – require design and construct skill
– in-house capability available

BUILDING – Public Sector Markets

Prisons

-  Roll out of PPP Prisons programme
-  Pre-qualification obtained in joint venture with WBHO
-  Five new prisons to be constructed (approximate value R1 bn each)

Health Sector

-  Green Fields Hospital opportunities: 4-6 opportunities
(Total value R3-4bn)
-  Existing hospital upgrade: 2-4 projects
(Total value ± R2 bn)

Some current and recently secured contracts

Previously reported	Value	G5 Stake	Duration	Start Date
Moses Mabhida Soccer Stadium	R2,0bn	35%	2,5 years	Jan 2007

Project on schedule: Currently the two southern legs of the arch are being assembled

Department of Education New HO	R367m	100%	2,0 years	Apr 2007
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Project on schedule to meet targeted completion date of March 2009:
4 months ahead of contractual completion date

Pearls of Umhlanga	R218m	80%	26 months	Nov 07
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Project on programme

Inyoni Retirement Village	R103m	100%	17 months	Sep 07
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Phase 1 completed and 1st unit of phase 2 to be handed over in April 2008

UWC Life Sciences Building	R311m	100%	24 months	Sep 07
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Early stages – project on track

Recently secured	Value	G5 Stake	Duration	Start Date
The Palms KZN	R141m	100%	2 years	April 08

20 storey structure comprising 87 luxury apartments. Contract to commence in April 08