Reviewed interim condensed consolidated financial statements

for the six months ended 31 December 2015

AVENG

Leaders in infrastructure

Our vision

During the strategic realignment of Aveng, a renewed vision statement was developed to guide the Group in achieving its purpose as a sustainable leader in infrastructure development, including support products and mining services.

The Aveng Group aims to own and operate a portfolio of infrastructure, mining and manufacturing-related businesses, each of which will achieve top-quartile performance compared to its peers when measured against return on invested capital, earnings growth, and positive cash flow generation through the business cycle.

Our mission

Building a positive and lasting legacy of which our stakeholders, their families and future generations will be proud.

Achieved through:

- Our ongoing development of infrastructure which forms the backbone of many economies in developing countries
- Our dedication to a values-based culture of safety, honesty and accountability across all levels of the Group
- Our commitment to prioritising people, equality and fairness in all relationships we forge with stakeholders
- Our active contribution to social development and integration of sustainability throughout our Group.

Our values

Our values of safety, honesty and accountability underpin the way we expect employees to conduct business and interact with our stakeholders

HOME WITHOUT HARM
EVERYONE EVERYDAY

Safety is paramount, never to be compromised in the pursuit of any objective

Forward-looking statements

This report contains forward-looking statements about the Company's operations and financial conditions. They are based on Aveng Limited's best estimates and information at the time of writing. They are nonetheless subject to significant uncertainties and contingencies, many of which are beyond the control of the Company. Unanticipated events will occur and actual future events may differ materially from current expectations due to new business opportunities, changes in priorities by the Company or its joint operations as well as other factors. Any of these factors may materially affect the Company's future business activities and its ongoing results.

Group structure

AVENG
Leaders in infrastructure

Buildings

Roads and rail

Oil and gas

Mining

Marine

Power

Water

Process and industrial

Aveng operates in a diverse range of sectoral and geographic markets

Related brands

Construction and Engineering: South Africa and rest of Africa

- AVENG GRINAKER-LTA
- AVENG CAPITAL PARTNERS

Related brands: AVENG GRINAKER-LTA

Construction and Engineering: Australasia and Asia

- McCONNELL DOWELL CREATIVE CONSTRUCTION™

Related brands: McCONNELL DOWELL CREATIVE CONSTRUCTION™; Built Environs (Part of the McConnell Dowell Group)

Mining

- AVENG MINING

Related brands: AVENG MOOLMANS; AVENG SHAFTS & UNDERGROUND

Manufacturing and Processing

- AVENG MANUFACTURING
- AVENG STEEL

Related brands: AVENG INFRASET; AVENG DURASET; AVENG DFC; AVENG RAIL; AVENG ACS; AVENG FACADES; AVENG TRIDENT STEEL; AVENG STEEL FABRICATION; AVENG STEELEDALE


2016 INTERIM FINANCIAL RESULTS PRESENTATION
23 February 2016
AVENG
Leaders in infrastructure

Notes:

AGENDA

1 **OVERVIEW** *Kobus Verster* *CEO*

2 **FINANCIAL** *Adrian Macartney* *CFO*

3 **STRATEGY** *Kobus Verster* *CEO*

4 **OPERATIONAL** *Kobus Verster* *CEO*

5 **OUTLOOK** *Kobus Verster* *CEO*

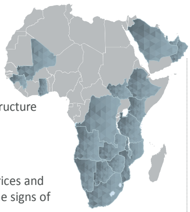
2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 3 AVENG

Notes:

Notes:

OVERVIEW | Market Conditions

The continued global economic slowdown affected the key regions in which Aveng operates



SOUTH AFRICA AND REST OF AFRICA

- Local construction market remains weak due to the continued lack of large infrastructure projects
- Building sector remains relatively strong
- Severe weakness in international steel prices and continued lack of local demand with some signs of improvement in steel prices
- Significant pressure on all commodities resulting in limited new mining opportunities in South Africa and rest of Africa. Postponement, scale back and cancellation of existing projects
- Although lower, solid demand continues for concrete products in the construction industry, rail products, rail construction and maintenance services

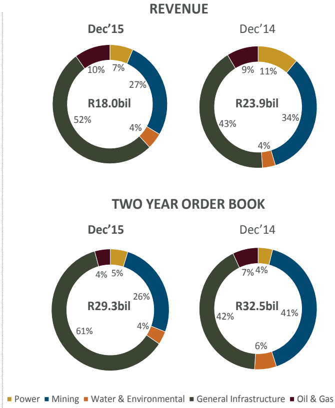
AUSTRALASIA AND SOUTH EAST ASIA

- Declining construction market following the sharp decline in iron ore and energy prices
- Good opportunities in large social- and transport related infrastructure projects
- Strong residential and commercial building market
- Competitive market conditions as a result of foreign entrants and decelerating workload
- Reasonable opportunities in Southeast Asia and strong growth in New Zealand

Notes:

OVERVIEW | Salient Features

- Strong improvement in **safety** performance
- **Revenue** decreased by 25% to R18 billion
- **Headline loss** of R231 million or 58 cents per share
- **Liquidity** improved, **QCLNG** advance repaid and **property** transaction concluded
- **Aveng Grinaker-LTA** advances towards break-even with strong cash generation
- Good progress on various **claims**
- Continuous focused **restructuring** is yielding results
- **Net cash** of R331 million compared to R393 million in June 2015
- **Strategic review** undertaken



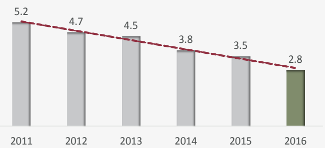
Notes:

OVERVIEW | Safety

- **Strong improvement** in the All Injury Frequency Rate **(AIFR) to 2.8**
- Improved Employee Wellness Engagement Rate
- **Visible Safety Leadership** has **improved to 530** visits by the executive team
- **Renewed emphasis** on road traffic safety
- All operations successfully retained the ISO 9001 Quality Management System certification

HOME WITHOUT HARM
EVERYONE EVERYDAY

AVENG FIVE-YEAR AIFR TREND (PER 200 000 HOURS)



MAJOR ACHIEVEMENTS

AVENG Leaders in infrastructure

- ✓ **Aveng became a member of The Green Building Council of South Africa (GBCSA)**
  Our mission is to transform the South African property sector and change the way the world is built
- ✓ **Renewed emphasis on road traffic safety**

McCONNELL DOWELL CREATIVE CONSTRUCTION

- ✓ Recognised at the Australian National Safety Council's annual safety excellence awards
- ✓ Excellent award won for the Vale project in October 2015
- ✓ Recommended to be the HSEQ standard of construction practice to be followed by the construction industry in Malaysia
- ✓ Received a national safety award for the safety approach on the Papa, Uniform and Golf taxi lanes at Melbourne Airport

AVENG GRINAKER-LTA

- ✓ Scorpion Zinc contract in Namibia achieved 2.7mil LTI free hours
- ✓ Sasol Corporate Office reached 1.2mil LTI free hours
- ✓ Shondoni in Mpumalanga achieved 0.5mil LTI free hours
- ✓ Four sites in the coastal business achieved 5 star MBA ratings

AVENG MINING

- ✓ Sadiola contract in Mali West Africa achieved 5.4mil LTI free hours
- ✓ Langer Heinrich in Namibia achieved 1.6mil LTI free hours
- ✓ Tumela shaft in South Africa achieved more than four years LTI free days

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 7 AVENG

Notes:

Notes:

FINANCIAL | Statement of Comprehensive Earnings

	31 Dec '15 Rm	31 Dec '14 Rm	% change	30 Jun '15 Rm
Revenue	**17 998**	23 864	(25)	43 930
Operating expenses	**(1 392)**	(1 496)	7	(3 063)
Net operating earnings / (loss)	**52**	413	(87)	(288)
Profit on sale of subsidiary	**-**	777	(100)	777
Profit on sale of properties	**577**	-	>100	-
Impairments	**(23)**	(537)	96	(621)
Net finance (expense) / earnings	**(156)**	(166)	6	(306)
Earnings / (loss) for the year	**232**	362	(36)	(518)
Headline (loss) / earnings	**(231)**	138	>(100)	(578)
Earnings / (loss) per share (cents)	**57,8**	89,3	(35)	(114,8)
Headline (loss) / earnings per share (cents)	**(58,0)**	34,5	>(100)	(144,3)

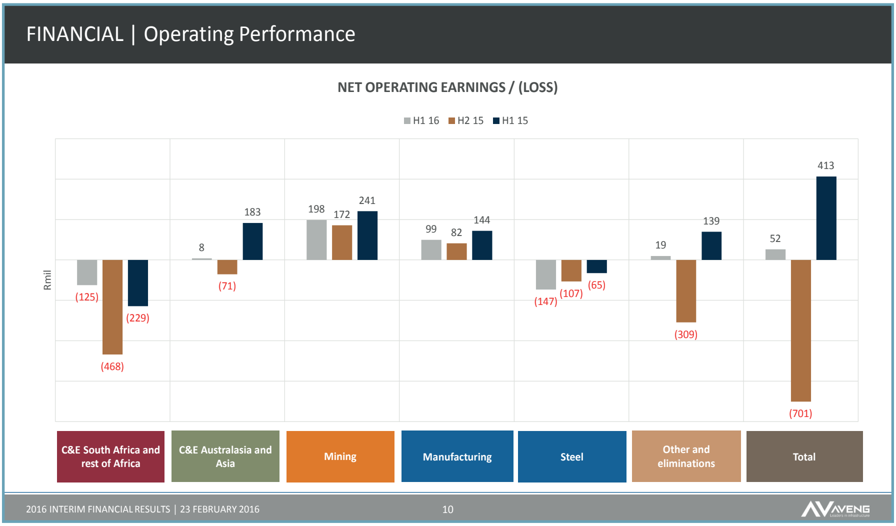
	H1 2016 Rm	H2 2015 Rm	H1 2015 Rm	H2 2014 Rm
REVENUE	**3 857**	4 061	4 294	4 393
	7 048	9 108	11 804	13 236
	2 968	2 982	2 974	3 121
	4 396	4 675	5 253	5 374
	(271)	(760)	(461)	(792)
	17 998	20 066	23 864	25 332
NET OPERATING EARNINGS/(LOSS)	**(125)**	(468)	(229)	(232)
	8	(71)	183	80
	198	172	241	234
	(48)	(25)	79	202
	19	(309)	139	5
	52	(701)	413	289

C&E South Africa and rest of Africa | C&E Australasia and Asia | Mining | Manufacturing & Processing | Other and eliminations

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 9

AVENG

Notes:


FINANCIAL | Operating Performance
NET OPERATING EARNINGS / (LOSS)
H1 16
H2 15
H1 15
Rmil
(125)
(468)
(229)
8
(71)
183
198
172
241
99
82
144
(147)
(107)
(65)
19
(309)
139
52
(701)
413
C&E South Africa and rest of Africa
C&E Australasia and Asia
Mining
Manufacturing
Steel
Other and eliminations
Total
2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016
10
AVENG

Notes:

FINANCIAL | Statement of Financial Position

	Dec'15 Rm	Jun'15 Rm	% change	Dec'14 Rm
ASSETS	**27 193**	27 519	(1)	29 257
Goodwill and Intangible assets	**674**	681	(1)	649
Property, plant and equipment	**5 450**	5 626	(3)	5 825
Investments	**1 013**	929	9	896
Deferred taxation	**1 829**	1 580	16	1 383
Derivative assets	**121**	41	>100	54
Non-current assets held-for-sale	**7**	559	(99)	607
Inventories	**2 400**	2 529	(5)	3 056
Amounts due from contract customers	**10 242**	10 294	(1)	10 098
Trade and other receivables	**2 005**	2 424	(17)	2 433
Cash and bank balances	**3 452**	2 856	21	4 256
South African Operations	**▲ 1 612**	506	>100	1 273
McConnell Dowell	**▼ 1 840**	2 350	(22)	2 983

	Dec'15 Rm	Jun'15 Rm	% change	Dec'14 Rm
LIABILITIES & EQUITY	**27 193**	27 519	(1)	29 257
LIABILITIES				
Borrowings and liabilities	**3 121**	2 463	27	2 574
Taxation payable	**187**	94	99	266
Deferred Taxation	**434**	221	96	234
Derivative liabilities	**-**	2	(100)	3
Payables other than contract related	**-**	102	(100)	98
Amounts due to contract customer	**1 792**	2 562	(30)	2 353
Trade and other payables	**6 566**	7 961	(18)	8 713
Employee-related payables	**1 022**	1 116	(8)	1 207
EQUITY	**14 071**	12 998	8	13 809
NAV PER SHARE*	**▲ 33.8**	31.2	(8)	33.1

* NAV per share based on the diluted number of shares in issue of 416,670,931

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 11

Notes:

FINANCIAL | Working Capital

	% change	Dec'15 Rm		Jun'15 Rm		Dec'14 Rm		Jun'14 Rm	
Normalised net working capital									
		Rm	**days**	Rm	days	Rm	days	Rm	days
Inventory	(5)	**2 400**	**: 26 days**	2 529	: 22 days	3 056	: 25 days	2 793	: 21 days
Trade and other receivables	(17)	**2 005**	**: 20 days**	2 424	: 20 days	2 433	: 19 days	2 785	: 19 days
Amounts due from contract customers [1]	(13)	**6 117**	**: 62 days**	7 039	: 58 days	6 446	: 49 days	8 111	: 56 days
Material contract claims [2]	27	**4 125**		3 255		3 652		3 240	
Current trade and other payables [1]	(5)	**(6 566)**	**: 72 days**	(6 906)	: 61 days	(7 352)	: 60 days	(8 314)	: 62 days
QCLNG advance repayment	(100)	**-**		(1 055)		(1 064)		(1 429)	
Amounts due to contract customers	(30)	**(1 792)**	**: 20 days**	(2 562)	: 22 days	(2 353)	: 19 days	(2 677)	: 20 days
Net working capital [2]		**6 289**		4 724		4 818		4 509	
Normalised net working capital [3]		**2 164**		2 524		2 230		2 698	

1) Increased days calculated were as a result of the high closing conversion rate
2) Movement to December 2015 includes exchange rate changes of R1 237mil from June 2015
3) Normalised net working capital excludes material contract claims and the QCLNG advance

Notes:

FINANCIAL | Uncertified Revenue and Claims

	Dec'15 Rm	Jun'15 Rm	Dec'14 Rm	Jun'14 Rm
Uncertified claims and variations [(1) (2)]	**6 547**	5 157	5 788	5 842
Contract contingencies	**(343)**	(253)	(257)	(181)
Contract and retention receivables [(3)]	**4 038**	5 390	4 567	5 690
AMOUNTS DUE FROM CUSTOMERS (CURRENT AND NON CURRENT ASSETS)	**10 242**	10 294	10 098	11 351
Progress billings received	**(1 342)**	(1 921)	(1 728)	(1 766)
Amounts received in advance	**(450)**	(641)	(625)	(911)
AMOUNTS DUE TO CUSTOMERS (CURRENT LIABILITY)	**(1 792)**	(2 562)	(2 353)	(2 677)
Net amounts due from contract customers [(4)]	**8 450**	7 732	**7 745**	8 674

1) Amounts are net of provision on problematic contracts
2) R6 547mil includes R862mil increase as a result of exchange rate changes from June 2015
3) Contract and retention receivables are agreed with client and treated as normal trade receivables
4) R1 054mil increase as a result of exchange rate changes from June 2015

Dec'15 Rm	C&E South Africa and rest of Africa	C&E Australasia and Asia	Mining	Manufacturing & Processing	Other and eliminations	TOTAL
Contract claims	467	1 415	-	-	(602)	1 280
QCLNG and Gold Coast claims	-	4 125	-	-	-	4 125
Uncertified variations (timing)	366	-	428	348	-	1 142
Uncertified claims and variations	833	5 540	428	348	(602)	**6 547**

CLAIMS RESOLVED:

- Claims relating to the power programme in Aveng Grinaker-LTA
- Chuquicamata contract in Chile

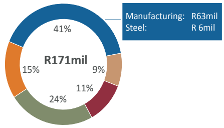
C&E South Africa and rest of Africa | C&E Australasia and Asia | Mining | Manufacturing & Processing | Other and eliminations

Notes:

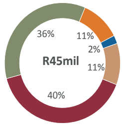
FINANCIAL | Operating Free Cash Flow

	H1 2016 Rm	H2 2015 Rm	H1 2015 Rm	H2 2014 Rm
	208	(310)	(976)	(557)
	(886)	(663)	(322)	(463)
	177	243	(50)	(314)
	488	(492)	504	412
	(337)	(25)	(250)	(298)
Cash from operations	**(350)**	**(1 247)**	**(1 094)**	**(1 220)**
Proceeds from sale of Electrix		-	1 314	
Repayment of QCLNG advance	(1 072)			
Proceeds from sale of properties	1 127			
Operating free cash flow	**(295)**	**(1 247)**	**220**	**(1 220)**
Included in cash from operations above is net capital outflow of:	**(126)**	(290)	(244)	(505)
Total capital expenditure	**171**	293	583	617
Proceeds from disposals	**(45)**	(3)	(339)	(112)

DEC'15 TOTAL CAPITAL EXPENDITURE PER SEGMENT



DEC'15 PROCEEDS FROM DISPOSALS



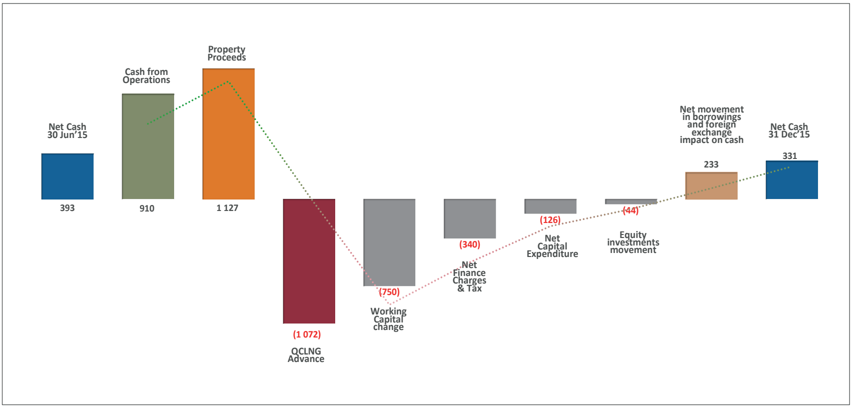
- Sufficient spending on repairs and maintenance and replacement capital expenditure
- Idle fleet is available should the need arise
- No major capital expenditure required

C&E South Africa and rest of Africa | C&E Australasia and Asia | Mining | Manufacturing & Processing | Other and eliminations

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 14 AVENG

Notes:

FINANCIAL | Movement in net cash



2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 15

Notes:

FINANCIAL | Liquidity

	Dec'15 Rm	Jun'15 Rm
CASH	**3 452**	2 856
South African Operations	**1 612**	506
McConnell Dowell	**1 840**	2 350
BORROWINGS	**3 121**	2 463
Convertible bond	**1 690**	1 651
South African Operations	**494**	562
McConnell Dowell	**937**	250
NET CASH	**331**	393
QCLNG ADVANCE PAYMENT	-	(1 055)
ADJUSTED NET CASH/(DEBT)	**331**	(662)

- Net cash /(debt) improved substantially as a result of liquidity initiatives successfully implemented:
  - ✓ Sale of Electrix business in McConnell Dowell in FY2015
  - ✓ Sale of the property portfolio in HY2016
- Facilities were reduced in line with funds required and to reduce fees relating to unused facilities
- Facilities are continuously reviewed and all covenant requirements have been met

	Dec'15 Rm
CASH	**3 452**
Less:	
Joint operations	(623)
Advance payment	(450)
Short term facilities	(780)
Minimum working capital requirements	(1 200)
AVAILABLE CASH	**399**
UNUTILISED FACILITIES	**2 145**
LIQUIDITY HEADROOM	**2 544**

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 16

Notes:

AVENG
Leaders in infrastructure

Notes:

STRATEGY

RECOVERY AND STABILISE: ISSUES

- Aveng Grinaker-LTA turnaround
- Address underperforming projects and businesses
- Improve stability and capacity of management
- Improve risk management
- Achieve substantial fixed cost reduction
- Liquidity:
  - Strengthen the balance sheet
  - Recover claims
  - Address underperformance to improve operational cash flow
- Secure a quality / low risk order book
- Review portfolio of businesses

REALISE GROWTH AND SUSTAIN PROFITABILITY: LONG TERM OBJECTIVES

- Enhance profitability and cash flow
- Leverage the client and industry delivery model
- Market expansion into Africa and Southeast Asia

POSITION FOR GROWTH - FOCUS ON

- Capital allocation and portfolio optimisation
- Selective expansion in Africa
- Strengthen businesses in home markets – South Africa and Australia – to position for future growth

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 18 AVENG

Notes:

STRATEGY | Process

ISSUES	RECOVER & STABILISE STATUS
1. AVENG GRINAKER-LTA TURNAROUND ▪ Loss making and cash flow negative for some years ▪ High fixed overhead structure ▪ Project underperformance on unresolved contracts with embedded risk ▪ Key personnel and executive turnover ▪ Low predictability and high risk	▪ Close to break-even and cash flow positive 2016, in difficult market – sustainability to be proven ▪ Substantial sustainable fixed cost reduction implemented ▪ All major loss making projects completed and downside risk resolved ▪ Claims position within norms ▪ Stable and committed management team ▪ Project controls and review processes enhanced
2. UNDERPERFORMING PROJECTS AND BUSINESSES	▪ Major loss making contracts completed ▪ Improved delivery and quality ▪ Improved profit-making ratio substantially ▪ Improved performance of previously underperforming businesses such as Duraset, Steeledale and Aveng Steel Fabrication
3. STABILITY AND CAPACITY OF MANAGEMENT	▪ Stable and committed senior management
4. RISK MANAGEMENT	▪ Various process, people and system enhancements
5. FIXED COST REDUCTION	▪ Fixed costs aligned to revenue in all major businesses ▪ Aveng Shafts & Underground fully integrated within Aveng Mining ▪ Aveng Water will be fully integrated within Aveng Grinaker-LTA (M&E) ▪ Aveng E&PC, part of Aveng Engineering business has been closed ▪ Consolidate administrative offices across the Group

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 19

Notes:

STRATEGY | Process

ISSUES	RECOVER & STABILISE STATUS
6. LIQUIDITY: ▪ Strengthen the balance sheet ▪ Recover claims ▪ Address underperformance to improve operational cash flow	▪ Various asset disposals and debt instruments ▪ Strong cash generation from all South African businesses ▪ Many legacy claims resolved ▪ McConnell Dowell cash flow and major claims unresolved
7. QUALITY OF ORDER BOOK	▪ More strategic pipeline management and selective tendering process ▪ Continued evaluation of tenders ▪ Refrain from PPP, EPC and mega projects ▪ Conservative revenue expectations
8. PORTFOLIO OF BUSINESSES	▪ Strategic review undertaken for all business units in the Group ▪ Certain short term actions are currently underway

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 20 AVENG

Notes:

STRATEGY | Strategic Review to Accelerate Value Creation

- Cognisant of the current share price performance and market capitalisation of the Group
- A strategic review started in December 2015 to consider additional alternatives to unlock shareholder value.
- Despite progress on strategic interventions, the value of Aveng remains at a substantial discount. Contributing factors:
  1. Uncertainty over the Aveng Grinaker-LTA turnaround strategy
  2. Concerns over the liquidity position and the risk of a rights issue
  3. Unresolved claims relating to legacy contracts may pose a cash flow risk
  4. Increased losses in McConnell Dowell as a result of high fixed cost with declining market opportunities
  5. Continued restructuring of businesses
  6. Weakening steel industry
  7. Management change
  8. Market communication and transparency
  9. Under-performing returns on invested capital compared to WACC

MARKET ASSUMPTIONS AND POTENTIAL:

- Long term potential in core markets and potential markets close to home markets, especially in SEA and NZ and selected Africa countries

PORTFOLIO REVIEW:

McConnell Dowell

- Key part of the Group with strong long term growth prospects and strong historical ROIC

Aveng Manufacturing

- Good prospects over a range of markets, needs capital in future to grow

Aveng Mining

- Strong financial performance off solid operational capabilities
- Remains a good asset, though return is sensitive due to its capital intensive nature

Aveng Steel

- Strong business with good assets - does however not meet longer term return objectives

Aveng Grinaker-LTA

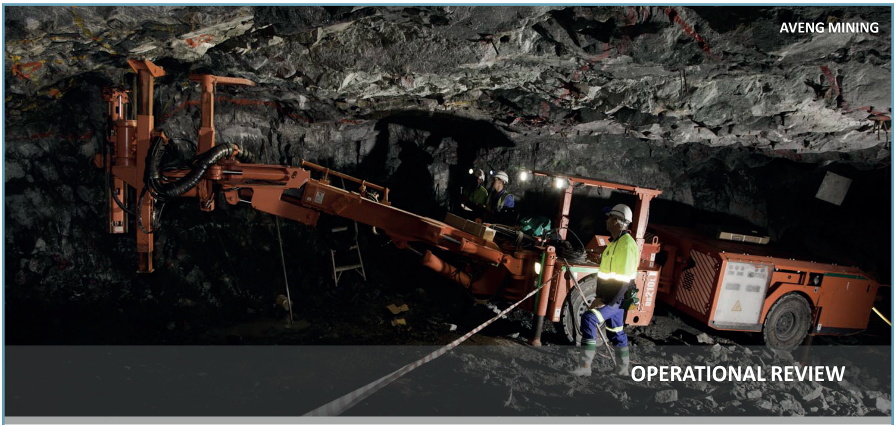
- Position the business for improved financial performance
- Imperative to introduce B-BBEE partners

Aveng Capital Partners

- Embarking upon a monetisation process of the existing portfolio, by disposal in the market or seeded into a fund

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016   21   AVENG

Notes:



Leaders in infrastructure

Notes:


CONSTRUCTION & ENGINEERING | South Africa and rest of Africa
2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016
23
AVENG

Notes:

CONSTRUCTION & ENGINEERING | South Africa and rest of Africa | Overview

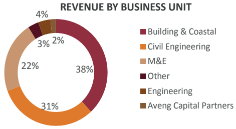
REVENUE (Rm)

H1 2016	H1 2015	H2 2015	H2 2014
3 857	4 294	4 061	4 393
▼ 10.2%			

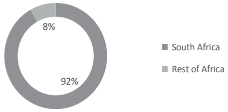
- Revenue declined due to:
  - ✓ Lack of replacement work within civils and M&E
  - ✓ Completion of large water and power projects at Aveng Engineering
- Offset by an increase in building projects

RECOVER AND STABILIZE ACTIONS IMPLEMENTED	STATUS
Improving cash generation	■
Reducing fixed cost and streamlining operations	■
Resolving long standing commercial matters	■
Stabilisation and retention of critical skills and management team	■
Improving project risk management and execution	■
Integrated safety improvement initiatives	■
Implementing a suitable long term organisational transformation strategy	■
Focus on relationship with labour organisations	■
Focus on external brand enhancement	■

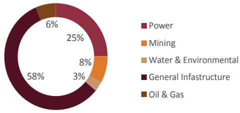
REVENUE BY BUSINESS UNIT



REVENUE BY GEOGRAPHY



REVENUE BY SECTOR



OPERATING LOSS (Rm)

H1 2016	H1 2015	H2 2015	H2 2014
(125)	(229)	(468)	(232)
▼ 45.4%			

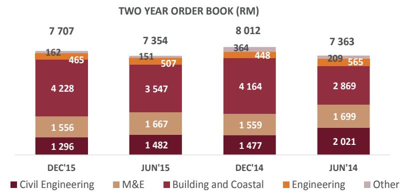
	H1 2016	H1 2015	H2 2015	H2 2014
Grinaker-LTA	(48)	(280)	(197)	(299)
Engineering	(83)	(29)	(261)	35

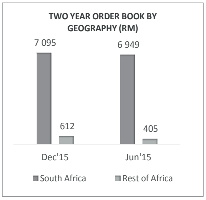
- Improved performance at Aveng Grinaker-LTA due to close out of legacy contracts. The loss of R48mil resulted from:
  - ✓ Holding and retrenchment cost of R18mil incurred
  - ✓ Some non contributing contracts still in progress
  - ✓ Africa Construction made a loss of R29mil for incurring tender cost for unsuccessful work
- Aveng Engineering made a loss of R83mil due to:
  - ✓ Remedial cost on water treatment contracts
  - ✓ Close out and legal costs incurred
  - ✓ Retrenchment costs
- Aveng Capital Partners contributed positively to the segment's result

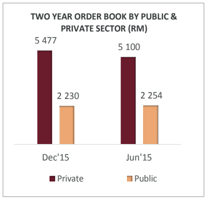
2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 24 AVENG

Notes:

CONSTRUCTION & ENGINEERING | South Africa and rest of Africa | Order Book



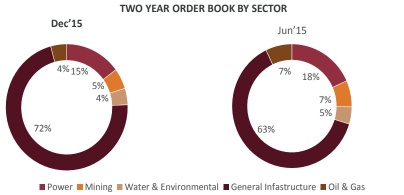




- Order book increased 4.8% (R353mil) since June 2015
- Particularly successful in the building, maintenance and roads disciplines
- The margin and risk profile of the order book changed - 55% relate to Building

RECENT PROJECT AWARDS

- 129 Rivonia development in Sandton; situated on the site of the previous Village Walk
- Leonardo Towers in Sandton – first phase
- Hilton Hotel in Swaziland



2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 25

AVENG

Notes:

CONSTRUCTION & ENGINEERING | South Africa and rest of Africa | Outlook

OUTLOOK

- Market expected to remain subdued in the short to medium term with limited evidence of large infrastructure contracts
- Overcapacity in the market expected to continue
- Opportunities exist:
  - ✓ Roads and renewable energy projects
  - ✓ Commercial building
  - ✓ M&E industrial sector
  - ✓ Aveng Water - operate and maintain services
- Benefits from optimisation initiatives implemented to date and improved project execution
- The improving trend in results compared to prior periods is expected to continue

RESPONSE

- Consistent critical review of operating structure and cost base to align the business with current market
- Delivering quality and value to customers
- Target selected projects in Africa
- Reinforce Aveng Grinaker-LTA brand
- Accelerate transformation initiatives
- Continued focus on margin growth and cash flow generation

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 26

Notes:

CONSTRUCTION & ENGINEERING | Australasia and Asia

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 27

Notes:

CONSTRUCTION & ENGINEERING | Australasia and Asia | Overview

REVENUE (AUDm)

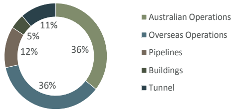
H1 2016	H1 2015	H2 2015	H2 2014
726	1 208	971	1 346
▼ 39.9%			

- Reflects the lack of new work over the last 18 months, completion of multi-year pipeline and infrastructure contracts and the sale of the Electrix business included for 4 months in the comparative period
- Perth Airport and Gold Coast contracts have been completed and handed over
- Revenue outside Australia more than 50% of revenue

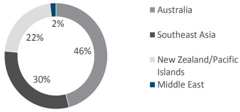
CLAIMS:

- Continuous efforts to finalise and resolve claims on QCLNG and Gold Coast contracts

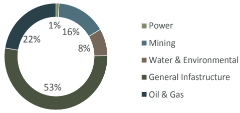
REVENUE BY BUSINESS UNIT



REVENUE BY GEOGRAPHY



REVENUE BY SECTOR



OPERATING PROFIT (AUDm)

H1 2016	H1 2015	H2 2015	H2 2014
1	19	(10)	8
▼ 94.7%			

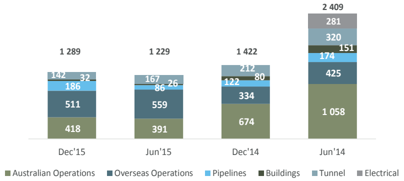
- Strong performance in Offshore Operations and Pipelines
- Australian Operations continues to disappoint
- The poor performance is in the Australian Operations is reflective of:
  - ✓ The weaker Australian construction market
  - ✓ Tender expenses for unsecured contracts
  - ✓ Operational underperformance on some projects
- Operating expenses adjusted in line with 2016 revenue expectation
- Further re-alignment necessary in Australia

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 28 AVENG

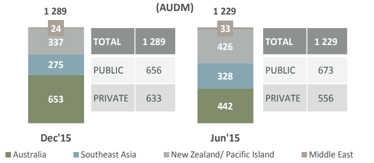
Notes:

CONSTRUCTION & ENGINEERING | Australasia and Asia | Order Book

TWO YEAR ORDER BOOK (AUDM)

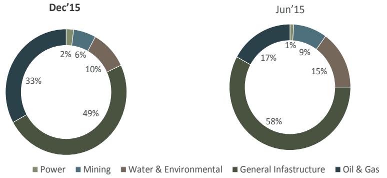


TWO YEAR ORDER BOOK BY GEOGRAPHY & PUBLIC/PRIVATE SECTOR (AUDM)



- In Australian dollar terms the order book increased 4.9% due to **recent project awards**:
  - ✓ Waitaki Bridges Replacement Project
  - ✓ O-Bahn City Access project
  - ✓ Northern Gas Pipeline - Australia
  - ✓ Christchurch - New Zealand
  - ✓ Barangaroo Ferry - Australia New South Wales
  - ✓ Rapid SCC - Malaysia
- The risk profile of the order book improved due to:
  - ✓ More selective tendering process
  - ✓ Refrained from tendering on PPP, some EPC and mega contracts

TWO YEAR ORDER BOOK BY SECTOR



2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 29

Notes:

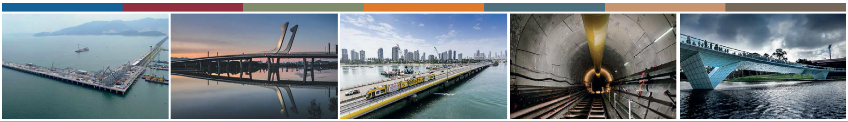
CONSTRUCTION & ENGINEERING | Australasia and Asia | Outlook

OUTLOOK

- Despite continued weakness in the Australian market, reasonable opportunities exist in social- and transport-related infrastructure within Australia and broader opportunities in Southeast Asia and New Zealand
- Strong performance of Overseas Operations expected to continue
- Securing work remains a risk
- Reduction in revenue is anticipated for the remainder of the 2016 financial year
- Improved financial performance only expected in 2017

RESPONSE

- Capitalise on strong position in Southeast Asia and New Zealand
- Address remaining underperformance in Australia
- Adjust Australian Operations to align with revenue expectations
- Resolution of large claims remain a priority
- Pursue building opportunities in the defence, civic, retail, health, aged care, and residential sectors
- Continued focus on improvement of cash flow



Notes:

MINING

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 31

Notes:

MINING | Overview

REVENUE (Rm)

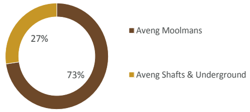
H1 2016	H1 2015	H2 2015	H2 2014
2 968	2 974	2 982	3 121
▼ 0.2%			

- Declined due to:
  - ✓ The cancellation of the Styldrift and Eland contracts as a result of poor market conditions
  - ✓ Limited new mining opportunities

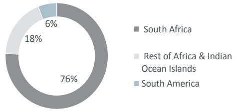
FLEET:

- Idle fleet in Aveng Moolmans available for new projects
- No significant capital expenditure required
- Sufficient spending on repairs and maintenance
- Majority of fleet unencumbered – no requirement to pursue unprofitable work to service debt

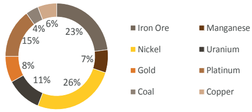
REVENUE BY BUSINESS UNIT



REVENUE BY GEOGRAPHY



REVENUE BY COMMODITY



OPERATING PROFIT (Rm)

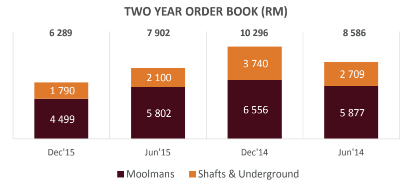
H1 2016	H1 2015	H2 2015	H2 2014
198	241	172	234
▼ 17.8%			

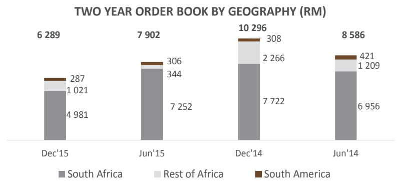
- Lower operating profit mainly due to:
  - ✓ Lower revenue
  - ✓ Discounts awarded to clients
  - ✓ Volume reductions
- Good operational performance by Moolmans despite market challenges
- Shafts & Underground operational performance improved as a result of:
  - ✓ Reduced overheads materialising from the merger with Moolmans
  - ✓ Chuquicamata end of site loss recognised in 2015
- Wesizwe Bakubung final scope and claims being negotiated
- Dec'15 includes once off restructuring costs of R23mil
- Chuquicamata claims finalised and cash received

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 32 AVENG

Notes:

MINING | Order Book

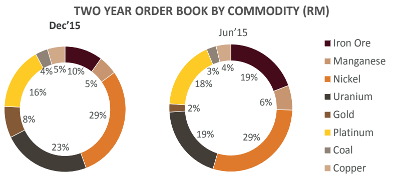




- Order book decreased 20.4% (R1 613mil) as a result of contract cancellations and reduction in scope of work
- Further volume reductions are anticipated
- Various opportunities are being pursued to mitigate this impact

EXTENDED CONTRACTS

- Kolomela (Klipbankfontein)
- Sadiola



2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 33 AVENG

Notes:

MINING | Outlook

OUTLOOK

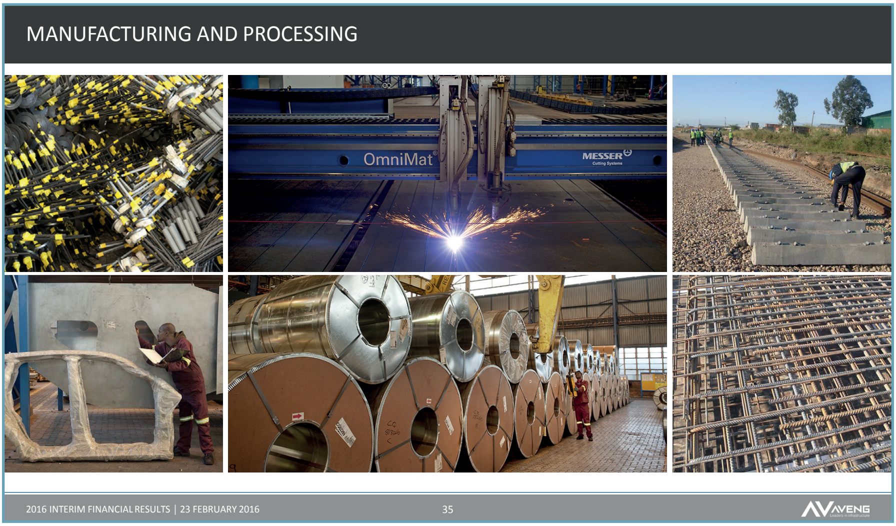
- Mining industry is expected to remain weak in the medium term
- Positive cash flow despite difficult market conditions
- Current economic conditions have led to a resizing and streamlining of the business
- Order book remains under pressure

RESPONSE

- Working closely with clients to assist in reducing overall mining costs and to regain some of the margin lost due to discounts
- Re-align fixed cost with medium term revenue expectations and reduce operating costs
- Pursue limited opportunities in both underground and open-cut markets internationally and locally
- Leverage from strong mining brand
- Idle fleet provides flexibility - can be redeployed for new work or for replacement of existing fleet

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 34

Notes:


MANUFACTURING AND PROCESSING
OmniMat
MESSER
2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016
35
AVENG

Notes:

MANUFACTURING AND PROCESSING | Aveng Manufacturing | Overview

REVENUE (Rm)

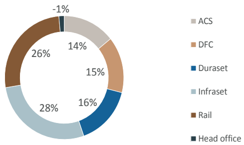
H1 2016	H1 2015	H2 2015	H2 2014
1 625	1 813	1 459	1 605
▼ 10.4%			

- Revenue growth was hampered by:
  - ✓ Lower demand for mining products in Duraset as well as
  - ✓ Lower demand for sleeper and concrete products in Infraset
- All other divisions increased marginally

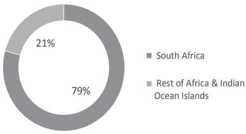
GROWTH AND EFFICIENCY INITIATIVES

- Optimization of Aveng Infraset factories
- Improved asset utilisation and optimisation within the rail business
- Partnerships within Aveng Duraset to facilitate growth in the mining sector as well as access to other market sectors
- Aveng DFC to increase valve capacity between 5% - 10%
- Aveng ACS continue to focus on diversification strategy

REVENUE BY BUSINESS DIVISION



REVENUE BY GEOGRAPHY



OPERATING PROFIT (Rm)

H1 2016	H1 2015	H2 2015	H2 2014
99	144	82	84
▼ 31.3%			

- Operating profit declined as a result of difficult market conditions, depressed commodity prices and lower demand
- Lower but positive margins achieved at Infraset
- Aveng Control Solutions, Aveng DFC and Aveng Rail maintained market share and margins

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 36

Notes:

MANUFACTURING AND PROCESSING | Aveng Steel | Overview

REVENUE (Rm)

H1 2016	H1 2015	H2 2015	H2 2014
2 771	3 439	3 216	3 742

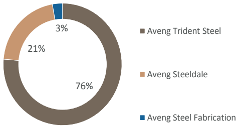
▼ 19.4%

- Aveng Trident Steel revenue was severely impacted by reduced international steel prices and lower local demand.

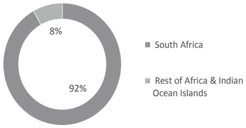
VARIOUS PRODUCTIVITY IMPROVEMENT AND COST EFFICIENCY INITIATIVES WERE IMPLEMENTED:

- Further fixed cost reduction following a major restructuring in 2015
- Focus on working capital optimisation

REVENUE BY BUSINESS DIVISION



REVENUE BY GEOGRAPHY



OPERATING PROFIT/(LOSS) (Rm)

H1 2016	H1 2015	H2 2015	H2 2014
(147)	(65)	(107)	118

▼ >100%

- Loss making due to:
  - ✓ Substantial steel price reductions
  - ✓ Weak domestic demand
  - ✓ Margin pressures due to competitive trading environment
- Strongly cash generative
- Included in Dec'15 are once off costs of R7mil relating to severance packages

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 37 AVENG

Notes:

MANUFACTURING AND PROCESSING | Outlook

OUTLOOK

Aveng Manufacturing

- Transport infrastructure remains a key growth market, opportunities include maintenance upgrades and new rail infrastructure in South Africa and neighbouring countries
- Residential and commercial building products demand expected to remain strong
- Improved demand expected from the power sector
- Domestic infrastructure and mining demand will remain under pressure

Aveng Steel

- Improved steel prices expected in the short to medium term
- Local manufacturing and domestic vehicle sales are expected to remain under pressure
- Improved demand expected from renewable energy projects

RESPONSE

Aveng Manufacturing

- Aveng Infraset with manufacturing capability in Zambia, Mozambique and South Africa is well positioned to pursue opportunities in Sub-Saharan Africa
- Aveng DFC is pursuing growth in the Americas and Europe from existing facilities and established a distribution presence in Australia
- Aveng ACS is focusing on the mining, water and power sectors and improving their footprint in the Southern Africa Development Community
- Selective investment is needed to improve efficiencies and growth

Aveng Steel

- Major restructuring completed
- Focus on EBITDA break even position for H2 2016
- Focus on renewable energy demand

Notes:

Notes:

OUTLOOK | Future Aveng

OUTLOOK

- Market expected to remain subdued in the short to medium term
- Limited large infrastructure contracts
- Business aligned to operating environment
- Focus on cash generation, cost efficiencies and preserving the balance sheet
- Implementation of strategic initiatives
- Attractive opportunities in Australia, New Zealand and Southeast Asia
- Smaller, but less risky business, with overall improved financial performance

SASOL CORPORATE HEAD OFFICE

2016 INTERIM FINANCIAL RESULTS | 23 FEBRUARY 2016 40

Notes:

AVENG
Leaders in infrastructure

Notes:

Notes:

Reviewed interim condensed consolidated financial statements

for the six months ended 31 December 2015

AVENG

Leaders in infrastructure

Salient features – financial performance

For the six months ended 31 December 2015:

Revenue
R18,0 billion
Decrease of 25% from R23,9 billion at December 2014

Net operating earnings
R52 million
Decrease of 87% from R413 million at December 2014

Gain on property transaction
R577 million

Earnings for the period attributable to equity holders of the parent
R230 million
Decrease of 36% from R358 million at December 2014

Headline loss
R231 million
Decrease from R138 million earnings at December 2014

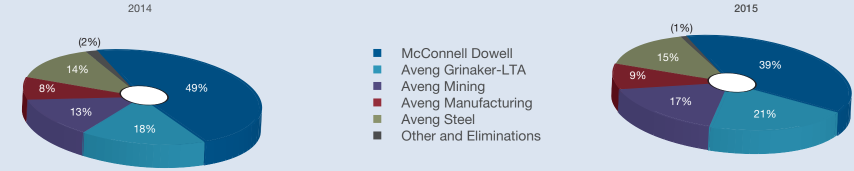
Operating free cash flow
R295 million outflow
December 2014: R220 million inflow

Capital expenditure
R171 million
December 2014: R583 million

Earnings per share
57,8 cents
Decrease of 35% from 89,3 cents at December 2014

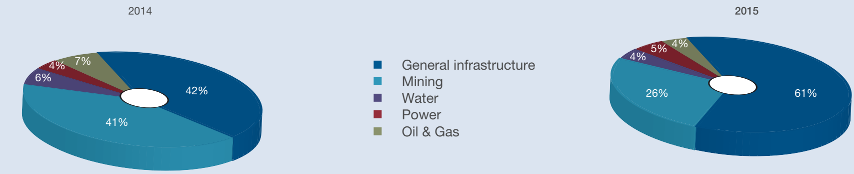
Headline loss per share
58,0 cents
Decrease from 34,5 cents earnings at December 2014

Revenue per operating group



Two year order book per operating group

Two year order book by sector



Net operating earnings / (loss) – segmental analysis

	H1 2016 Rm	H1 2015 Rm	Change %	June 2015 Rm
South Africa and rest of Africa	**(125)**	(229)	45	(697)
Aveng Grinaker-LTA	**(48)**	(297)	84	(587)
Aveng Engineering	**(83)**	(28)	>(100)	(291)
Other	**6**	96	(94)	181
Australasia and Asia	**8**	183	(96)	112
Total Construction and Engineering	**(117)**	(46)	>(100)	(585)
Mining	**198**	241	(18)	413
Manufacturing and Processing	**(48)**	79	>(100)	54
Aveng Steel	**(147)**	(65)	>(100)	(174)
Aveng Manufacturing	**99**	144	(32)	228
Other and Eliminations	**19**	139	(86)	(170)
Total	**52**	413	(87)	(288)

Interim condensed statement of financial position

as at 31 December 2015

	Notes	**31 December 2015 (Reviewed) Rm**	31 December 2014 (Reviewed) Rm	30 June 2015 (Audited) Rm
ASSETS				
Non-current assets				
Goodwill arising on consolidation		**342**	351	342
Intangible assets		**332**	298	339
Property, plant and equipment		**5 450**	5 825	5 626
Equity-accounted investments		**136**	263	151
Infrastructure investments	9	**877**	633	778
Deferred taxation		**1 829**	1 383	1 580
Derivative instruments		**15**	8	6
Amounts due from contract customers	10	**1 174**	3 192	900
		10 155	11 953	9 722
Current assets				
Inventories		**2 400**	3 056	2 529
Derivative instruments		**106**	46	35
Amounts due from contract customers	10	**9 068**	6 906	9 394
Trade and other receivables		**2 005**	2 433	2 424
Cash and bank balances		**3 452**	4 256	2 856
		17 031	16 697	17 238
Non-current assets held-for-sale	8	**7**	607	559
TOTAL ASSETS		**27 193**	29 257	27 519
EQUITY AND LIABILITIES				
Equity				
Share capital and share premium		**2 009**	2 001	2 023
Other reserves*		**2 031**	1 186	1 162
Retained earnings*		**10 020**	10 608	9 790
Equity attributable to equity-holders of parent		**14 060**	13 795	12 975
Non-controlling interest		**11**	14	23
TOTAL EQUITY		**14 071**	13 809	12 998

* *Comparatives have been amended as detailed in note 3: New accounting standards and interpretations adopted, changes in accounting policies and other reclassifications.*

	Notes	31 December 2015 (Reviewed) Rm	31 December 2014 (Reviewed) Rm	30 June 2015 (Audited) Rm
LIABILITIES				
Non-current liabilities				
Deferred taxation		**434**	234	221
Borrowings and other liabilities	13	**1 901**	2 158	2 037
Employee-related payables		**474**	126	468
Trade and other payables	11	**–**	297	–
		2 809	2 815	2 726
Current liabilities				
Amounts due to contract customers	10	**1 792**	2 353	2 562
Borrowings and other liabilities	13	**1 220**	416	426
Payables other than contract-related		**–**	98	102
Employee-related payables		**548**	1 081	648
Derivative instruments		**–**	3	2
Trade and other payables	11	**6 566**	8 416	7 961
Taxation payable		**187**	266	94
		10 313	12 633	11 795
TOTAL LIABILITIES		**13 122**	15 448	14 521
TOTAL EQUITY AND LIABILITIES		**27 193**	29 257	27 519

Interim condensed statement of comprehensive earnings

for the six months ended 31 December 2015

	Notes	**Six months ended 31 December 2015 (Reviewed) Rm**	Six months ended 31 December 2014 (Reviewed) Rm	Change %	Year ended 30 June 2015 (Audited) Rm
Revenue		**17 998**	23 864	(25)	43 930
Cost of sales		**(16 711)**	(22 304)	25	(41 566)
Gross earnings		**1 287**	1 560	(18)	2 364
Other earnings		**214**	319	(33)	471
Operating expenses	14	**(1 392)**	(1 496)	7	(3 063)
(Loss) / earnings from equity-accounted investments		**(57)**	30	>(100)	(60)
Net operating earnings / (loss)		**52**	413	(87)	(288)
Impairment of property, plant, equipment and intangible assets		**(23)**	(246)	91	(330)
Impairment of goodwill arising on consolidation		**–**	(291)	100	(291)
Profit on sale of subsidiary		**–**	777	(100)	777
Gain on property transaction	6	**577**	–	>100	–
Earnings / (loss) before financing transactions		**606**	653	(7)	(132)
Finance earnings		**105**	72	46	177
Convertible bond interest and gains		**(111)**	(59)	(88)	(167)
Other finance expenses		**(150)**	(179)	16	(316)
Earnings / (loss) before taxation		**450**	487	(8)	(438)
Taxation	15	**(218)**	(125)	(74)	(80)
Earnings / (loss) for the period		**232**	362	(36)	(518)

	Six months ended 31 December 2015 (Reviewed) Rm	Six months ended 31 December 2014 (Reviewed) Rm	Change %	Year ended 30 June 2015 (Audited) Rm
Earnings / (loss) for the period	**232**	362	(36)	(518)
Other comprehensive earnings to be reclassified to earnings in subsequent period (net of taxation):				
Exchange differences on translating foreign operations	**985**	(366)	>100	(372)
Other comprehensive loss released from equity-accounted investments	**–**	28	>(100)	28
Other comprehensive earnings / (loss) for the period (net of taxation)	**985**	(338)	>100	(344)
Total comprehensive earnings / (loss) for the period	**1 217**	24	>100	(862)
Total comprehensive earnings / (loss) for the period attributable to:				
Equity-holders of the parent	**1 223**	20	>100	(804)
Non-controlling interest	**(6)**	4	>(100)	(58)
	1 217	24	>100	(862)
Earnings / (loss) for the period attributable to:				
Equity-holders of the parent	**230**	358	(36)	(460)
Non-controlling interest	**2**	4	(50)	(58)
	232	362	(36)	(518)
Other comprehensive earnings / (loss) for the period (net of taxation)				
Equity-holders of the parent	**993**	(338)	>100	(344)
Non-controlling interest	**(8)**	–	>(100)	–
	985	(338)	>100	(344)
Results per share (cents)				
Earnings – basic	**57,8**	89,3	(35)	(114,8)
Earnings – diluted	**57,2**	89,0	(36)	(114,4)
Headline (loss) / earnings – basic	**(58,0)**	34,5	>(100)	(144,3)
Headline (loss) / earnings – diluted	**(57,5)**	34,4	>(100)	(143,8)
Number of shares (millions)				
In issue	**416,7**	416,7	–	416,7
Weighted average	**398,0**	400,6	(0,6)	400,6
Diluted weighted average	**402,1**	402,1	–	402,1

EBITDA for the Group, being net operating earnings before interest, tax, depreciation and amortisation is R496 million (December 2014: R928 million; June 2015: R662 million).

Interim condensed statement of changes in equity

for the six months ended 31 December 2015

	Share capital Rm	Share premium Rm	Total share capital and premium Rm	Foreign currency translation reserve Rm
Six months ended 31 December 2014 (Reviewed)				
Opening balance as previously reported	20	1 988	2 008	1 129
Adoption of IFRS 9 accounting standard	–	–	–	–
Balance at 1 July 2014 as restated	20	1 988	2 008	1 129
Earnings for the period	–	–	–	–
Other comprehensive loss for the period (net of taxation)	–	–	–	(366)
Total comprehensive earnings for the period	–	–	–	(366)
Movement in treasury shares	–	(7)	(7)	–
Equity-settled share-based payment charge	–	–	–	–
Transfer of convertible bond option to convertible bond equity reserve	–	–	–	–
Deferred transaction costs allocated to convertible bond equity reserve	–	–	–	–
Foreign currency translation movement	–	–	–	–
Dividends paid	–	–	–	–
Total contributions and distributions recognised	–	(7)	(7)	–
Balance at 31 December 2014	20	1 981	2 001	763
Year ended 30 June 2015 (Audited)				
Balance at 1 July 2014 as restated	20	1 988	2 008	1 129
Loss for the period	–	–	–	–
Other comprehensive loss for the period (net of taxation)	–	–	–	(372)
Total comprehensive loss for the period	–	–	–	(372)
Movement in treasury shares	–	15	15	–
Equity-settled share-based payment charge	–	–	–	–
Transfer of convertible bond option to convertible bond equity reserve	–	–	–	–
Deferred transaction costs allocated to convertible bond equity reserve	–	–	–	–
Increase in equity investment	–	–	–	–
Foreign currency translation movement	–	–	–	–
Dividends paid	–	–	–	–
Total contribution and distributions recognised	–	15	15	–
Balance at 30 June 2015	20	2 003	2 023	757

Available-for-sale fair value reserve* Rm	Equity-accounted investments reserve Rm	Equity-settled share-based payment reserve Rm	Convertible bond equity reserve Rm	Total other reserves* Rm	Retained earnings* Rm	Total attributable to equity-holders of the parent Rm	Non-controlling interest Rm	Total equity Rm
93	(28)	26	–	1 220	10 157	13 385	11	13 396
(93)	–	–	–	(93)	93	–	–	–
–	(28)	26	–	1 127	10 250	13 385	11	13 396
–	–	–	–	–	358	358	4	362
–	28	–	–	(338)	–	(338)	–	(338)
–	28	–	–	(338)	358	20	4	24
–	–	–	–	–	–	(7)	–	(7)
–	–	7	–	7	–	7	–	7
–	–	–	402	402	–	402	–	402
–	–	–	(12)	(12)	–	(12)	–	(12)
–	–	–	–	–	–	–	1	1
–	–	–	–	–	–	–	(2)	(2)
–	–	7	390	397	–	390	(1)	389
–	–	33	390	1 186	10 608	13 795	14	13 809
–	(28)	26	–	1 127	10 250	13 385	11	13 396
–	–	–	–	–	(460)	(460)	(58)	(518)
–	28	–	–	(344)	–	(344)	–	(344)
–	28	–	–	(344)	(460)	(804)	(58)	(862)
–	–	–	–	–	–	15	–	15
–	–	(11)	–	(11)	–	(11)	–	(11)
–	–	–	402	402	–	402	–	402
–	–	–	(12)	(12)	–	(12)	–	(12)
–	–	–	–	–	–	–	76	76
–	–	–	–	–	–	–	1	1
–	–	–	–	–	–	–	(7)	(7)
–	–	(11)	390	379	–	394	70	464
–	–	15	390	1 162	9 790	12 975	23	12 998

Interim condensed statement of changes in equity continued

for the six months ended 31 December 2015

	Share capital Rm	Share premium Rm	Total share capital and premium Rm	Foreign currency trans-lation reserve Rm
Six months ended 31 December 2015 (Reviewed)				
Balance at 1 July 2015	20	2 003	2 023	757
Earnings for the period	–	–	–	–
Other comprehensive earnings for the period (net of taxation)	–	–	–	993
Total comprehensive earnings for the period	–	–	–	993
Purchase of treasury shares	–	(23)	(23)	–
Equity-settled share-based payment release	–	9	9	–
Equity-settled share-based payment charge	–	–	–	–
Recognition of deferred tax on convertible bond	–	–	–	–
Decrease in equity investment	–	–	–	–
Total contribution and distributions recognised	–	(14)	(14)	–
Balance at 31 December 2015	20	1 989	2 009	1 750

** Comparatives have been amended as detailed in note 3: New accounting standards and interpretations adopted, changes in accounting policies and other reclassifications.*

Available-for-sale fair value reserve* Rm	Equity-accounted invest-ments reserve Rm	Equity-settled share-based payment reserve Rm	Conver-tible bond equity reserve Rm	Total other reserves* Rm	Retained earnings* Rm	Total attri-butable to equity-holders of the parent Rm	Non-controlling interest Rm	Total equity Rm
–	–	15	390	1 162	9 790	12 975	23	12 998
–	–	–	–	–	230	230	2	232
–	–	–	–	993	–	993	(8)	985
–	–	–	–	993	230	1 223	(6)	1 217
–	–	–	–	–	–	(23)	–	(23)
–	–	(9)	–	(9)	–	–	–	–
–	–	7	–	7	–	7	–	7
–	–	–	(122)	(122)	–	(122)	–	(122)
–	–	–	–	–	–	–	(6)	(6)
–	–	(2)	(122)	(124)	–	(138)	(6)	(144)
–	–	13	268	2 031	10 020	14 060	11	14 071

Interim condensed statement of cash flows

for the six months ended 31 December 2015

	Note	**Six months ended 31 December 2015 (Reviewed) Rm**	Six months ended 31 December 2014 (Reviewed) Rm	Year ended 30 June 2015 (Audited) Rm
Operating activities				
Cash retained from operations		**660**	589	(92)
Depreciation		**429**	501	929
Amortisation		**15**	14	21
Non-cash and other movements	16	**(194)**	(418)	(457)
Cash generated by operations		**910**	686	401
Changes in working capital				
Decrease / (increase) in inventories		**162**	(279)	201
Decrease in amounts due from contract customers		**52**	743	547
Decrease in trade and other receivables		**424**	362	357
Increase in derivative instruments		**(82)**	(103)	(101)
Decrease in amounts due to contract customers		**(770)**	(252)	(43)
Decrease in trade and other payables		**(338)**	(1 204)	(1 953)
QCLNG repayment		**(1 072)**	–	–
Decrease in payables other than contract-related		**(102)**	(102)	(102)
Decrease in employee-related payables		**(96)**	(187)	(258)
Total changes in working capital		**(1 822)**	(1 022)	(1 352)
Cash utilised by operating activities		**(912)**	(336)	(951)
Finance expenses paid		**(209)**	(176)	(361)
Finance earnings received		**102**	72	174
Taxation paid		**(233)**	(134)	(397)
Cash outflow from operating activities		**(1 252)**	(574)	(1 535)
Investing activities				
– expansion		**(75)**	(101)	(175)
– replacement		**(89)**	(456)	(649)
Proceeds on disposal of property, plant and equipment		**45**	242	245
Proceeds on disposal of investment property		**–**	97	97
Acquisition of intangible assets		**(7)**	(26)	(52)
Proceeds from property transaction		**1 127**	–	–

	Six months ended 31 December 2015 (Reviewed) Rm	Six months ended 31 December 2014 (Reviewed) Rm	Year ended 30 June 2015 (Audited) Rm
Loans advanced to equity-accounted investments net of dividends received	**(40)**	(88)	(68)
Proceeds on disposal of equity-accounted investments	**–**	–	5
Net loans advanced to infrastructure investment companies	**(7)**	(165)	(208)
Acquisition of subsidiary (net of cash acquired)	**–**	(23)	(23)
Net proceeds on disposal of subsidiary	**–**	1 314	1 314
Dividend earnings	**3**	–	22
Cash inflow from investing activities	**957**	794	508
Operating free cash (outflow) / inflow	**(295)**	220	(1 027)
Shares repurchased	**(23)**	(7)	(7)
Loans (repaid) / advanced by non-controlling interest	**(6)**	–	76
Dividends paid	**–**	(2)	(7)
Proceeds from convertible bonds issued	**–**	1 947	1 947
Net proceeds from / (repayment of) borrowings	**606**	(1 900)	(2 066)
Net increase in cash and bank balances before foreign exchange movements	**282**	258	(1 084)
Foreign exchange movements on cash and bank balances	**314**	(138)	(196)
Cash and bank balances at the beginning of the period	**2 856**	4 136	4 136
Total cash and bank balances at the end of the period	**3 452**	4 256	2 856
Borrowings excluding bank overdrafts	**3 121**	2 574	2 463
Net cash position	**331**	1 682	393

Notes to the interim condensed consolidated financial statements

for the six months ended 31 December 2015

1. CORPORATE INFORMATION

The reviewed interim condensed consolidated financial statements (the "interim results") of Aveng Limited (the "Company") and its subsidiaries (the "Group") for the six months ended 31 December 2015 were authorised for issue in accordance with a resolution of the directors on 19 February 2016.

Nature of business

Aveng Limited is a limited liability company incorporated and domiciled in the Republic of South Africa whose shares are publicly traded. The Group operates in the construction, engineering and mining environments and as a result the revenue is not seasonal in nature, but is influenced by the nature and execution of the contracts currently in progress.

2. BASIS OF PREPARATION AND ACCOUNTING POLICY

The interim results have been prepared on a historical basis except for certain financial instruments that are measured at fair value.

These interim results are presented in South African Rand ("ZAR") and all values are rounded to the nearest million ("Rm") except when otherwise indicated. The interim results are prepared in accordance with *IAS 34 – Interim Financial Statements* and the Listings Requirements of the Johannesburg Stock Exchange. The accounting policies adopted are consistent with those of the Group's audited consolidated financial statements as at 30 June 2015, except as disclosed in *note 3: New accounting standards and interpretations adopted, changes in accounting policies and other reclassifications*.

The interim results have been prepared by Clare Giletti under the supervision of Group Finance Director, Adrian Macartney.

The reviewed interim condensed consolidated financial statements for the six month period ended 31 December 2015, set out on pages 2 to 36, have been reviewed by the Company's external auditors Ernst & Young Inc., in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditors of the Entity*. The unmodified review opinion is available on request from the Company Secretary at the Company's registered office.

Assessment of significance or materiality of amounts disclosed in these interim results

The Group presents amounts in these interim results in accordance with *International Financial Reporting Standards* ("*IFRS*"). Only amounts that have a relevant and material impact on the interim results have been separately disclosed. The assessment of significant or material amounts is determined by taking into account the qualitative and quantitative factors attached to each transaction or balance that is assessed.

3. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED, CHANGES IN ACCOUNTING POLICIES AND OTHER RECLASSIFICATIONS

The impact of early adopting IFRS 9 has been analysed by the Group as part of the 30 June 2015 year end results, the significant movement for six months ended 31 December 2015 has been analysed below.

	Balance as previously reported Rm	Early adoption of IFRS 9 Rm	**Restated balance Rm**
Statement of financial position as at 31 December 2014			
EQUITY AND LIABILITIES			
Equity			
Other reserves	1 279	(93)	**1 186**
Retained earnings	10 515	93	**10 608**

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of the interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Impairment of cash generating units

Where indicators existed the Group assessed the recoverable amount (higher of its fair value less cost to dispose and its value-in-use) of the relevant cash generating units. The value-in-use was used as the Group expects to recover the economic benefits through operational use.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, the expected future cash inflows and the growth rates used for extrapolation and terminal value purposes. The following assumptions were used in the calculation:

1. The Group weighted average cost of capital ("WACC") was adjusted to take into account the risk specific to each cash generating unit; and
2. Non-cash settled intercompany balances were excluded from the calculation of the Net Asset Value ("NAV").

The above resulted in the value-in-use (recoverable amount) being higher than the NAV and as a result no impairment was recognised in the statement of comprehensive earnings.

5. CHANGE IN ESTIMATE

The Group reassessed the tax deductibility of the unwinding of the convertible bond equity option, through the effective interest rate and as a result deferred tax remeasurement of R122 million has been raised through equity as required for compound instruments.

6. GAIN ON PROPERTY TRANSACTION

Loss of control of a subsidiary

Effective from 1 September 2015, Dimopoint Property Limited ("Dimopoint") (a wholly owned subsidiary of Aveng), issued additional shares to the Collins Property Group. Prior to the issue of shares, Dimopoint held a portion of the properties held-for-sale at 30 June 2015, (refer to note 8: *Non-current assets held-for-sale)*. The issue of the additional shares resulted in Aveng's interest being diluted thereby resulting in a loss of control of Dimopoint, with Aveng retaining a 30% non-controlling interest. A profit of R150 million resulted from the loss of control of Dimopoint. The remaining 30% investment in Dimopoint is treated as a joint venture as Aveng retains joint control of Dimopoint and is measured at fair value in terms of IFRS 9 in accordance with the IAS 28.18 *(Investment in Associates* and *Joint Ventures)* Venture Capital Organisation exemption.

Profit on sale of properties

Following the loss of control in Dimopoint, the remaining held-for-sale properties were sold to Dimopoint for a profit of R427 million.

	December 2015 (Reviewed) Rm
Held-for-sale asset	**612**
Transaction costs	**5**
Gain on property transaction	**577**
Profit on loss of control	**150**
Profit on sale of properties	**427**
Total proceeds	**1 194**
Retention of a non-controlling interest in Dimopoint	**(67)**
Cash proceeds on sale of properties	**1 127**

7. SEGMENTAL REPORT

The Group has determined four reportable segments that are largely organised and managed separately according to the nature of products and services provided.

These segments are components of the Group:

- that engage in business activities from which they earn revenues and incur expenses; and
- have operating results that are regularly reviewed by the Group's chief operating decision-makers to make decisions about resources to be allocated to the segments and in assessment of their performance.

The Group's reportable segments are categorised as follows:

1. Construction and Engineering

1.1 Construction and Engineering: South Africa and rest of Africa

This reportable segment includes: Aveng Grinaker-LTA, Aveng Engineering and Aveng Capital Partners ("ACP"). Aveng Engineering is being discontinued, with the remaining portions of Water and Operate & Maintain merging with the Mechanical and Electrical business unit within Aveng Grinaker-LTA.

Revenues from this segment include the supply of expertise in a number of market sectors: power, mining, infrastructure, commercial, retail, industrial, Oil & Gas.

1.2 Construction and Engineering: Australasia and Asia

This segment comprises McConnell Dowell.

This segment specialises in the construction and maintenance of tunnels and pipelines, railway infrastructure maintenance and construction, marine and mechanical engineering, industrial building projects, Oil & Gas construction and mining and mineral construction.

2. Mining

This segment comprises Aveng Moolmans and Aveng Shafts & Underground in one operating group.

Revenues from this segment are derived from mining related activities.

3. Manufacturing and Processing

This segment comprises Aveng Manufacturing and Aveng Steel.

The revenues from this segment comprise the supply of products, services and solutions to the mining, construction, Oil & Gas, water, power and rail sectors across the Group's value chain locally and internationally.

4. Other and Eliminations

This segment comprises corporate services, corporate held investments, including properties and consolidation eliminations.

7. SEGMENTAL REPORT continued

Segment report December 2015 (Reviewed) Rm	Construction and Engineering: South Africa and rest of Africa	Construction and Engineering: Australasia and Asia	Mining	Manufacturing and Processing	Other and Eliminations	Total
Assets						
Goodwill arising on consolidation	–	100	–	10	232	342
Intangible assets	1	–	15	145	171	332
Property, plant and equipment	466	865	2 326	1 324	469	5 450
Equity-accounted investments	109	58	4	–	(35)	136
Infrastructure investments	712	86	–	–	79	877
Deferred taxation	1 801	735	294	(140)	(861)	1 829
Derivative instruments	15	18	–	49	39	121
Amounts due from contract customers	1 450	7 649	1 208	537	(602)	10 242
Inventories	13	7	243	2 137	–	2 400
Trade and other receivables	345	200	235	1 096	129	2 005
Cash and bank balances	524	1 840	493	889	(294)	3 452
Assets held-for-sale	–	–	–	–	7	7
Total assets	**5 436**	**11 558**	**4 818**	**6 047**	**(666)**	**27 193**
Liabilities						
Deferred taxation	287	105	200	(86)	(72)	434
Borrowings and other liabilities	–	939	486	6	1 690	3 121
Employee-related payables	163	497	233	84	45	1 022
Trade and other payables	948	2 951	738	1 795	134	6 566
Amounts due to contract customers	496	980	194	122	–	1 792
Taxation payable	24	(46)	107	25	77	187
Total liabilities	**1 918**	**5 426**	**1 958**	**1 946**	**1 874**	**13 122**

Notes to the interim condensed consolidated financial statements
continued
for the six months ended 31 December 2015

7. SEGMENTAL REPORT continued

Segment report December 2014 (Reviewed) Rm	Construction and Engineering: South Africa and rest of Africa	Construction and Engineering: Australasia and Asia	Mining	Manufacturing and Processing	Other and Eliminations	Total
Assets						
Goodwill arising on consolidation	–	100	–	251	–	351
Intangible assets	3	–	–	149	146	298
Property, plant and equipment	600	891	2 663	1 356	315	5 825
Equity-accounted investments	208	51	4	–	–	263
Infrastructure investments	572	61	–	–	–	633
Deferred taxation	776	348	370	86	(197)	1 383
Derivative instruments	–	25	–	13	16	54
Amounts due from contract customers	2 048	6 957	1 058	419	(384)	10 098
Inventories	73	7	326	2 650	–	3 056
Trade and other receivables	606	232	116	1 363	116	2 433
Cash and bank balances	270	2 983	399	922	(318)	4 256
Non-current assets held-for-sale	–	–	–	–	607	607
Total assets	5 156	11 655	4 936	7 209	301	29 257
Liabilities						
Deferred taxation	14	–	189	5	26	234
Borrowings and other liabilities	–	279	661	6	1 628	2 574
Payables other than contract-related	98	–	–	–	–	98
Employee-related payables	175	585	198	50	199	1 207
Derivative instruments	–	–	–	–	3	3
Trade and other payables	1 149	4 384	714	2 465	1	8 713
Amounts due to contract customers	631	1 367	260	94	1	2 353
Taxation payable	49	85	28	33	71	266
Total liabilities	2 116	6 700	2 050	2 653	1 929	15 448

7. SEGMENTAL REPORT continued

Segment report June 2015 (Audited) Rm	Construction and Engineering: South Africa and rest of Africa	Australasia and Asia	Mining	Manufacturing and Processing	Other and Eliminations	Total
Assets						
Goodwill arising on consolidation	–	100	–	10	232	342
Intangible assets	2	–	8	152	177	339
Property, plant and equipment	494	799	2 506	1 326	501	5 626
Equity-accounted investments	131	56	4	–	(40)	151
Infrastructure investments	706	72	–	–	–	778
Deferred taxation	1 463	617	195	(154)	(541)	1 580
Derivative instruments	–	15	–	9	17	41
Amounts due from contract customers	2 256	6 895	1 253	472	(582)	10 294
Inventories	31	7	225	2 266	–	2 529
Trade and other receivables	469	186	91	1 463	215	2 424
Cash and bank balances	215	2 350	266	271	(246)	2 856
Non-current assets held-for-sale	–	–	–	–	559	559
Total assets	5 767	11 097	4 548	5 815	292	27 519
Liabilities						
Deferred taxation	99	72	182	(54)	(78)	221
Borrowings and other liabilities	–	250	557	5	1 651	2 463
Payables other than contract-related	102	–	–	–	–	102
Employee-related payables	211	446	273	122	64	1 116
Derivative instruments	–	–	–	2	–	2
Trade and other payables	1 382	3 928	701	1 757	193	7 961
Amounts due to contract customers	614	1 588	272	88	–	2 562
Taxation payable	31	11	42	16	(6)	94
Total liabilities	2 439	6 295	2 027	1 936	1 824	14 521

Notes to the interim condensed consolidated financial statements

continued

for the six months ended 31 December 2015

7. SEGMENTAL REPORT continued

Six months ended December 2015 (Reviewed) Rm	Construction and Engineering: South Africa and rest of Africa	Construction and Engineering: Australasia and Asia	Mining	Manufacturing and Processing	Other and Eliminations	Total
Gross revenue	3 857	7 048	2 968	4 396	(271)	17 998
Cost of sales	(3 656)	(6 543)	(2 658)	(4 182)	328	(16 711)
Gross earnings	201	505	310	214	57	1 287
Other earnings	27	36	17	96	38	214
Operating expenses	(330)	(498)	(129)	(358)	(77)	(1 392)
(Loss) / earnings from equity-accounted investments	(23)	(35)	–	–	1	(57)
Net operating (loss) / earnings	(125)	8	198	(48)	19	52
Impairment of property, plant, equipment and intangible assets	–	–	(23)	–	–	(23)
Gain on property transaction	–	–	–	7	570	577
(Loss) / earnings before financing transactions	(125)	8	175	(41)	589	606
Net finance earnings / (expenses)	21	(29)	(6)	(7)	(135)	(156)
(Loss) / earnings before taxation	(104)	(21)	169	(48)	454	450
Taxation	96	(21)	(81)	30	(242)	(218)
(Loss) / earnings for the period	(8)	(42)	88	(18)	212	232
Capital expenditure	19	41	26	69	16	171
Depreciation	(38)	(112)	(207)	(67)	(5)	(429)
Amortisation	–	–	–	(6)	(9)	(15)
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	(87)	120	405	25	33	496

7. SEGMENTAL REPORT continued

Six months ended December 2014 (Reviewed) Rm	Construction and Engineering: South Africa and rest of Africa	Construction and Engineering: Australasia and Asia	Mining	Manufacturing and Processing	Other and Eliminations	Total
Gross revenue	4 294	11 804	2 974	5 253	(461)	23 864
Cost of sales	(4 350)	(11 041)	(2 592)	(4 891)	570	(22 304)
Gross (loss) / earnings	(56)	763	382	362	109	1 560
Other earnings	126	47	1	91	54	319
Operating expenses	(326)	(618)	(142)	(374)	(36)	(1 496)
Earnings / (loss) from equity-accounted investments	27	(9)	–	–	12	30
Net operating (loss) / earnings	(229)	183	241	79	139	413
Impairment of property, plant, equipment and intangible assets	(152)	(33)	(29)	(32)	–	(246)
Impairment of goodwill arising on consolidation	–	(291)	–	–	–	(291)
Profit on sale of subsidiary	–	777	–	–	–	777
(Loss) / earnings before financing transactions	(381)	636	212	47	139	653
Net finance earnings / (expenses)	18	(31)	(23)	(16)	(114)	(166)
(Loss) / earnings before taxation	(363)	605	189	31	25	487
Taxation	(7)	(92)	(12)	12	(26)	(125)
(Loss) / earnings for the period	(370)	513	177	43	(1)	362
Capital expenditure	51	194	191	119	28	583
Depreciation	(63)	(148)	(202)	(82)	(6)	(501)
Amortisation	(4)	–	–	(5)	(5)	(14)
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	(162)	331	443	166	150	928

7. SEGMENTAL REPORT continued

Year ended June 2015 (Audited) Rm	Construction and Engineering: South Africa and rest of Africa	Construction and Engineering: Australasia and Asia	Mining	Manufacturing and Processing	Other and Eliminations	Total
Gross revenue	8 355	20 912	5 956	9 928	(1 221)	43 930
Cost of sales	(8 491)	(19 678)	(5 258)	(9 243)	1 104	(41 566)
Gross (loss) / earnings	(136)	1 234	698	685	(117)	2 364
Other earnings	226	45	1	164	35	471
Operating expenses	(736)	(1 152)	(286)	(795)	(94)	(3 063)
(Loss) / earnings from equity-accounted investments	(51)	(15)	–	–	6	(60)
Net operating (loss) / earnings	(697)	112	413	54	(170)	(288)
Impairment of property, plant, equipment and intangible assets	(209)	(44)	(32)	(32)	(13)	(330)
Impairment of goodwill arising on consolidation	–	(291)	–	–	–	(291)
Profit on sale of subsidiary	–	777	–	–	–	777
(Loss) / earnings before financing transactions	(906)	554	381	22	(183)	(132)
Net finance earnings/ (expenses)	15	(36)	(42)	(25)	(218)	(306)
(Loss) / earnings before taxation	(891)	518	339	(3)	(401)	(438)
Taxation	111	(14)	(194)	(7)	24	(80)
(Loss) / earnings for the period	(780)	504	145	(10)	(377)	(518)
Capital expenditure	96	262	257	180	81	876
Depreciation	(91)	(286)	(418)	(119)	(15)	(929)
Amortisation	(5)	–	–	(12)	(4)	(21)
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	(601)	398	831	185	(151)	662

7. SEGMENTAL REPORT continued

The Group operates in five principal geographical areas:

Revenue	Six months ended December 2015 (Reviewed) Rm	Six months ended December 2014 (Reviewed) Rm	Year ended June 2015 (Audited) Rm	Six months ended December 2015 (Reviewed) %	Six months ended December 2014 (Reviewed) %	Year ended June 2015 (Audited) %
South Africa	**9 609**	10 036	19 628	**53,4**	42,0	44,7
Rest of Africa including Mauritius	**1 046**	1 733	2 908	**5,8**	7,3	6,6
Australasia and Asia	**4 866**	10 060	15 880	**27,0**	42,1	36,1
Southeast Asia	**2 191**	1 778	5 115	**12,2**	7,5	11,7
Middle East and other regions	**286**	257	399	**1,6**	1,1	0,9
	17 998	23 864	43 930	**100,0**	100,0	100,0

Segment assets	Six months ended December 2015 (Reviewed) Rm	Six months ended December 2014 (Reviewed) Rm	Year ended June 2015 (Audited) Rm	Six months ended December 2015 (Reviewed) %	Six months ended December 2014 (Reviewed) %	Year ended June 2015 (Audited) %
South Africa	**13 358**	14 651	14 048	**49,1**	50,1	51,1
Rest of Africa including Mauritius	**2 210**	2 158	1 625	**8,1**	7,4	5,9
Australasia and Asia	**9 106**	10 559	9 383	**33,5**	36,1	34,1
Southeast Asia	**2 230**	1 399	2 154	**8,2**	4,8	7,8
Middle East and other regions	**289**	490	309	**1,1**	1,6	1,1
	27 193	29 257	27 519	**100,0**	100,0	100,0

8. NON-CURRENT ASSETS HELD-FOR-SALE

The majority of non-current asset held-for-sale were sold on 1 September 2015 to Imbali Props 21 Proprietary Limited, a member of the Collins Property Group for R1,1 billion cash. The Group retained a 30% interest in Dimopoint, a special purpose vehicle created for the purpose of holding the non-core properties. There are two properties remaining in non-current assets held-for-sale that were not part of the sale. These properties are anticipated to be sold to external parties.

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
Non-current assets held-for-sale			
Land and buildings	**7**	607	559
Movement during the period			
Opening balance	**559**	607	607
Transferred from property, plant and equipment	**45**	–	75
Environmental provision relating to property	**15**	–	–
Transferred to property, plant and equipment	**–**	–	(123)
Sold	**(612)**	–	–
	7	607	559

9. INFRASTRUCTURE INVESTMENTS

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
South African infrastructure investments			
Financial investments at fair value through profit or loss	**791**	573	706
Other infrastructure investments			
Financial investments at fair value through profit or loss	**86**	60	72
Total infrastructure investments	**877**	633	778
South African infrastructure investments			
Opening balance	**706**	–	–
Reclassification of equity investments from equity-accounted investments	**(5)**	3	3
Reclassification of shareholder loans from equity-accounted investments	**4**	168	168
Recycling of equity-accounted earnings from other comprehensive earnings	**–**	28	28
Reclassification from financial investments	**–**	126	126
Fair value remeasurement through comprehensive earnings	**12**	83	173
Non-controlling interest in Dimopoint	**67**	–	–
Loans advanced	**49**	169	208
Loan repayment	**(42)**	(4)	–
	791	573	706
Balance at the end of the year comprises:			
Blue Falcon 140 Trading Proprietary Limited	**251**	160	217
Dimopoint Proprietary Limited	**79**	–	–
Imvelo Company Proprietary Limited	**48**	45	40
N3 Toll Concessions Proprietary Limited	**128**	126	128
Windfall 59 Properties Proprietary Limited	**286**	242	321
JSG Proprietary Limited	**(1)**	–	–
	791	573	706
Other infrastructure investments			
Opening balance	**72**	–	–
Reclassification from financial investments	**–**	64	64
Foreign currency translation movement	**14**	(4)	(4)
Fair value remeasurement through comprehensive earnings	**–**	–	12
	86	60	72

Notes to the interim condensed consolidated financial statements
continued
for the six months ended 31 December 2015

10. AMOUNTS DUE FROM / (TO) CONTRACT CUSTOMERS

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
Uncertified claims and variations (underclaims)**[1]	**6 547**	5 788	5 157
Contract contingencies**	**(343)**	(257)	(253)
Progress billings received (including overclaims)[2]	**(1 342)**	(1 728)	(1 921)
Uncertified claims and variations less progress billings received	**4 862**	3 803	2 983
Contract receivables[3]	**3 807**	4 420	5 147
Provision for contract receivables	*****	(46)	*
Retention receivables[4]	**231**	193	243
	8 900	8 370	8 373
Amounts received in advance[5]	**(450)**	(625)	(641)
Net amounts due from contract customers	**8 450**	7 745	7 732
Disclosed on the statement of financial position as follows:			
Uncertified claims and variations**	**6 547**	5 788	5 157
Contract contingencies	**(343)**	(257)	(253)
Contract and retention receivables	**4 038**	4 613	5 390
Provision for contract receivables	*****	(46)	*
Amounts due from contract customers	**10 242**	10 098	10 294
Progress billings received	**(1 342)**	(1 728)	(1 921)
Amounts received in advance	**(450)**	(625)	(641)
Amounts due to contract customers	**(1 792)**	(2 353)	(2 562)
Net amounts due from contract customers	**8 450**	7 745	7 732

** Amounts less than R1 million.*
*** Provisions have been netted off against uncertified claims and variations.*

[1] Includes revenue not yet certified – recognised based on percentage of completion / measurement and agreed variations, less provisions and deferred contract costs.
[2] Progress billings are amounts billed for work performed above revenue recognised.
[3] Amounts invoiced still due from customers.
[4] Retentions are amounts invoiced but not paid until the conditions specified in the contract are fulfilled or until defects have been rectified.
[5] Advances are amounts received from the customer before the related work is performed.

10. AMOUNTS DUE FROM / (TO) CONTRACT CUSTOMERS continued

	Uncertified claims and variations** Rm	Contract contin-gencies** Rm	Contract receivables Rm	Provision for contract receivables Rm	Retention receivables Rm	Total Rm
December 2015 (Reviewed)						
Non-current assets	**1 174**	**–**	**–**	**–**	**–**	**1 174**
Current assets	**5 373**	**(343)**	**3 807**	*****	**231**	**9 068**
	6 547	**(343)**	**3 807**	*****	**231**	**10 242**
December 2014 (Reviewed)						
Non-current assets	3 192	–	–	–	–	3 192
Current assets	2 596	(257)	4 420	(46)	193	6 906
	5 788	(257)	4 420	(46)	193	10 098
June 2015 (Audited)						
Non-current assets	900	–	–	–	–	900
Current assets	4 257	(253)	5 147	*	243	9 394
	5 157	(253)	5 147	*	243	10 294

** Amounts less than R1 million.*

*** Provisions have been netted off against uncertified claims and variations.*

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
11. TRADE AND OTHER PAYABLES			
Trade payables	**2 686**	2 878	2 859
Subcontractors	**462**	392	425
Accrued expenses	**2 734**	3 220	3 180
Income received in advance	**111**	1 096	1 072
Promissory notes	**573**	830	425
	6 566	8 416	7 961
TRADE AND OTHER PAYABLES – non-current portion	**–**	297	–

Trade and other payables comprise amounts owing to suppliers for goods and services supplied in the normal course of business.

Promissory notes issued by the Group bear interest between a range of 8,30% and 8,59% per annum. Terms vary in accordance with contracts of supply and service but are generally settled on 30 to 90 day terms.

Included in income received in advance is an advance payment received relating to the Perth Airport contract of AUD10 million (R111 million). The AUD112,5 million (R1,1 billion) QCLNG advance payment was repaid on 29 October 2015.

12. FOREIGN EXCHANGE MOVEMENTS

Material foreign exchange movements have been disclosed in terms of IAS 1. With the deterioration of the Rand against foreign currencies, the translated results of McConnell Dowell, the Australian operating group of Aveng, had the biggest foreign currency impact. Only the accounts relating to McConnell Dowell that have been significantly impacted have been disclosed below.

	Amounts due from / (to) contract customers Rm	Trade and other payables Rm
Balance as at 30 June 2015 (Audited)	**7 732**	**7 961**
Movement in ordinary course of business	**(336)**	**(1 885)**
Foreign exchange movement at McConnell Dowell	**1 054**	**490**
Balance as at 31 December 2015 (Reviewed)	**8 450**	**6 566**

13. BORROWINGS AND OTHER LIABILITIES

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
13.1 Borrowings held at amortised cost			
Interest-bearing borrowings comprise:			
Payment profile			
– within one year	**1 220**	416	426
– between two to five years	**1 901**	2 158	2 037
	3 121	2 574	2 463
Interest rate structure			
Fixed and variable (interest rates)			
Fixed – long term	**1 730**	1 866	1 814
Fixed – short term	**923**	156	162
Variable – long term	**171**	325	222
Variable – short term	**297**	227	265
	3 121	2 574	2 463

Notes to the interim condensed consolidated financial statements continued

for the six months ended 31 December 2015

13. BORROWINGS AND OTHER LIABILITIES continued

13.1 Borrowings held at amortised cost continued

Description	Terms	Rate of interest	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
Convertible bond of R2 billion	Interest coupon is payable bi-annually until July 2019	Coupon of 7,25%	**1 690**	1 616	1 651
Finance sale and leaseback amounting to AUD9 million*	Monthly instalment ending in June 2018	Fixed interest rate of 5,15% to 6,08%	**97**	80	91
Short-term facility of AUD10 million	Repayable in May 2016	Bank bill swap rate plus 1,65%	**111**	95	94
Short-term facility of AUD60 million***	Repayable in May 2016	Bank bill swap rate plus 2,20%	**669**	–	–
Hire purchase agreement denominated in AUD*	Monthly instalment ending in September 2017	Fixed interest rate of 6,81%	**60**	103	65
Hire purchase agreement denominated in USD*	Quarterly instalments ending in June 2017	Fixed interest rate of 4,58% to 4,65%	**233**	316	253
Hire purchase agreement denominated in ZAR*	Monthly instalment ending in November 2017	South African prime less 2,00%	**60**	80	74
Hire purchase agreement denominated in ZAR*	Monthly instalment ending in March 2017	South African prime less 1,70%	**126**	185	148
Hire purchase agreement denominated in ZAR*	Monthly instalment ending in May 2018	Fixed interest rate of 9,70%	**59**	87	69

** These borrowings and other liabilities are finance leases and are included in the analysis of the payable finance lease liability.*

**** Backed by a bank guarantee.*

13. BORROWINGS AND OTHER LIABILITIES continued

13.1 Borrowings held at amortised cost continued

Description	Terms	Rate of interest	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
Finance lease facilities denominated in ZAR*	Monthly instalment ending in March 2017	South African prime	**13**	8	13
Interest-bearing borrowings			**3 118**	2 570	2 458
Interest outstanding on interest-bearing borrowings**			**3**	4	5
Total interest-bearing borrowings			**3 121**	2 574	2 463

* *These borrowings and other liabilities are finance leases and are included in the analysis of the payable finance lease liability.*

** *Interest outstanding in the current year relates to finance leases.*

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
Finance lease liabilities are payable as follows:			
Minimum lease payments due			
– within one year	**397**	365	369
– within two to five years	**300**	583	411
Less: future finance charges	**(46)**	(85)	(62)
Present value of minimum lease payments	**651**	863	718

13. BORROWINGS AND OTHER LIABILITIES continued

13.1 Borrowings held at amortised cost continued

The *Australasia and Asia* operating segment entered into a finance sale and leaseback arrangement in the 2012 financial year and in the 2015 financial year entered into an asset-based finance arrangement.

The arrangement, amounting to AUD9 million (R97 million) (December 2014: (R80 million); June 2015: (R91 million)) has been secured by plant and equipment with a net carrying amount of R70 million (December 2014: R80 million; June 2015: R60 million).

The arrangement amounting to AUD5 million (R60 million) (December 2014: R103 million; June 2015: (R65 million)) has been secured by assets with a net carrying amount of R58 million (December 2014: (R103 million); June 2015: (R49 million)).

The *Mining* operating segment entered into various asset-based finance lease arrangements to purchase operating equipment denominated both in USD and ZAR. These arrangements are secured by the assets for which the funding was provided and are repayable in monthly and quarterly instalments with the final repayment to be made in May 2018. Equipment with a net carrying amount of R495 million (December 2014: R687 million; June 2015: R613 million) has been pledged as security for the facility.

The *Mining and Manufacturing and Processing* operating segments entered into various vehicle lease arrangements. Equipment with the net carrying amount of R7 million (December 2014: R4 million; June 2015: R10 million) has been pledged as security.

14. OPERATING EXPENSES

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
Operating lease charges – premises	**56**	49	88
Operating lease charges – plant and equipment	**5**	5	9
Depreciation of property, plant and equipment	**14**	20	47
Amortisation of intangible assets	**15**	14	21
Share-based payment expense	**5**	(6)	(20)
Employee costs	**840**	977	1 895
Employee benefits	**12**	26	65
Computer costs	**53**	50	105
Consulting fees	**48**	40	119
Other	**344**	321	734
	1 392	1 496	3 063

15. TAXATION

Taxation expense

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
Current taxation expense	**326**	138	340
Deferred taxation charge	**(108)**	(13)	(260)
	218	125	80
Reconciliation of the taxation expense			
Reconciliation between applicable taxation rate and effective taxation rate			
Effective taxation rate on earnings	**48,4%**	25,7%	(18,3)%
Exempt income and capital items	**16,9%**	25,5%	(10,4)%
Deferred taxation asset not recognised	**(46,9)%**	(20,4)%	62,9%
Dividend withholding tax	**(34,5)%**	–	–
Movement in foreign exchange differences	**51,5%**	7,4%	(34,9)%
Prior year adjustment	**(4,9)%**	(1,8)%	(11,7)%
Effects of other jurisdictions and other	**(2,5)%**	(8,4)%	6,0%
Disallowable expenditure	**–**	–	34,4%
	28,0%	28,0%	28,0%

South African income taxation is calculated at 28% (December 2014: 28%; June 2015: 28%) of the taxable income for the year. Taxation in other jurisdictions is calculated at rates prevailing in the relevant jurisdictions.

Deferred taxation asset

The Group's results include a number of legal statutory entities within a number of taxation jurisdictions. The recoverability of deferred taxation assets was assessed in respect of each individual legal entity. Deferred tax assets have been recognised on unused taxation losses where management has concluded that there will be sufficient future taxable income against which deferred tax assets raised as at 31 December 2015 may be utilised. No deferred tax asset has been recognised for statutory entities where recoverability of such assets within the next five years is uncertain. In assessing the recoverability of the deferred tax asset, management has taken into account forecasts that were prepared for the financial years 2016 to 2020.

16. NON-CASH AND OTHER MOVEMENTS

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
Earnings from disposal of property, plant and equipment	**(13)**	(18)	(61)
Impairment of goodwill, property, plant, equipment and intangible assets	**23**	537	628
Profit on disposal of subsidiary	**–**	(777)	(777)
Gain on property transaction before transaction costs	**(582)**	–	–
Fair value adjustment	**(12)**	(104)	(196)
Movements in foreign currency translation	**383**	(63)	(62)
Movement in equity-settled share-based payment reserve	**7**	7	11
	(194)	(418)	(457)

17. CONTINGENT LIABILITIES

Contingent liabilities at the reporting date, not otherwise provided for in the consolidated financial statements, arise from performance bonds and guarantees issued in:

	December 2015 (Reviewed) Rm	December 2014 (Reviewed) Rm	June 2015 (Audited) Rm
South Africa and rest of Africa			
Guarantees and bonds (ZARm)	**3 716**	3 735	3 721
Parent company guarantees (ZARm)	**964**	2 851	898
	4 680	6 586	4 619
Australasia			
Guarantees and bonds (AUDm)	**498**	623	647
Parent company guarantees (AUDm)	**409**	4 764	1 215
	907	5 387	1 862

Contract performance guarantees issued by the parent company on behalf of its group companies are calculated based on the probability of draw down.

Claims and legal disputes in the ordinary course of business

The Group is, from time to time, involved in various claims and legal proceedings arising in the ordinary course of business. The Board does not believe that adverse decisions in any pending proceedings or claims against the Group will have a material adverse effect on the financial condition or future operations of the Group. Provision is made for all liabilities which are expected to materialise and contingent liabilities are disclosed when the outflows are possible.

18. HEADLINE EARNINGS

	Six months ended 31 December 2015 (Reviewed)		Six months ended 31 December 2014 (Reviewed)		Year ended 30 June 2015 (Audited)	
	Gross of taxation Rm	Net of taxation Rm	Gross of taxation Rm	Net of taxation Rm	Gross of taxation Rm	Net of taxation Rm
Determination of headline earnings:						
Earnings for the period attributable to equity-holders of parent		**230**		358		(460)
Impairment of goodwill	**–**	**–**	291	291	291	291
Impairment of property, plant and equipment	**23**	**17**	213	182	273	252
Impairment of intangible assets	**–**	**–**	33	33	57	57
Earnings on sale of property, plant and equipment	**(585)**	**(478)**	(5)	(4)	6	4
Profit on sale of subsidiary	**–**	**–**	(777)	(713)	(777)	(713)
Fair value adjustment on investment property	**–**	**–**	(11)	(9)	(11)	(9)
Headline (loss) / earnings		**(231)**		138		(578)

19. FAIR VALUE OF ASSETS AND LIABILITIES

The Group measures the following financial instruments at fair value:

– Infrastructure investments; and

– Forward exchange contracts

The Infrastructure investments comprises of the following:

– N3 Toll Concession (RF) Proprietary Limited;

– Windfall 59 Properties Proprietary Limited;

– Blue Falcon 140 Trading Proprietary Limited;

– Imvelo Concession Company Proprietary Limited;

– GoldlinQ Holdings; and

– Dimopoint Proprietary Limited

Except for Dimopoint, which was a new addition, the methodology, valuation parameters and assumptions for all other Infrastructure investments have remained unchanged since 30 June 2015. For more detail refer to the 30 June 2015 consolidated financial statements available on the Group's website.

The Group has reassessed the fair value of these Infrastructure investments as at 31 December 2015 and except for Dimopoint, where a R12 million fair value adjustment was calculated, no significant fair value movement was determined for the other investments.

(i) Dimopoint

Methodology

The value of the Group's share in Dimopoint was determined on the basis of the underlying long-term contractual rental streams. The fair value was determined based on the most appropriate methodology applicable to the underlying investment property portfolio. Methodologies include the market comparable approach that reflects recent transaction prices for similar properties and discounted cash flows. The valuation takes into consideration the selling price escalations per year, rental income escalation per year and risk-adjusted discount rates.

Valuation parameters and assumptions

The following parameters and assumptions were considered in arriving at the valuation:

- In estimating the fair value of the properties, the highest and best use of the properties is taken into account;
- Free cash flows based on the underlying long-term contractual rentals streams; and
- Market comparable yields applicable to the underlying investment property portfolio.

19. FAIR VALUE OF ASSETS AND LIABILITIES continued

(ii) Foreign exchange contracts (FEC) liabilities

Valuation methodology

Fair value of FECs is determined using mark-to-market rates. Market prices are based on actively traded similar contracts and is obtained from the financial institution with which the contracts are held.

The Group's fair value hierarchy of the carrying amounts of assets and liabilities comprises Infrastructure investments and forward exchange contracts. For the current period, the carrying amounts of these assets and liabilities equal its fair value.

The valuation of the Infrastructure investments is based on unobservable inputs and is therefore a Level 3, while FECs are valued using observable inputs (Level 2).

The Group uses Level 2 valuation techniques to measure foreign exchange contract and Level 3 valuation techniques to measure Infrastructure investments. Valuation techniques used are appropriate in the circumstances and for which sufficient data was available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

There were no transfers between the different levels during the six month period.

Total gains and losses included in the statement of comprehensive earnings attributable to changes in unrealised gains or losses

There have been no gains and losses recognised attributable to changes in unrealised gains or losses during the period.

19. FAIR VALUE OF ASSETS AND LIABILITIES continued

Sensitivity analysis: Financial assets valuations, using unobservable inputs

The following table shows the sensitivity of significant unobservable inputs used in measuring the fair value of Infrastructure investments:

	Significant unobservable input %	Reasonably possible changes to significant unobservable inputs %	Potential effect recorded directly in profit and loss Increase Rm	Decrease Rm
Infrastructure investments				
Risk-adjusted discount rate:				
– N3 Toll Concession	18,0	0,5	(8)	8
– Windfall 59 Proprietary Limited	20,0	0,5	(8)	8
– Blue Falcon 140 Trading Proprietary Limited	20,0	0,5	(8)	8
– Imvelo Concession Company Proprietary Limited	21,0	0,5	(1)	1
– Dimopoint Proprietary Limited	15,0	0,5	(6)	6
Internal rate of return:				
– GoldlinQ Holdings Proprietary Limited	10,0	0,5	(2)	2

The estimated fair value would increase / (decrease) if:

– the risk-adjusted discount rate was lower / (higher)

– the internal rate of return was lower / (higher)

20. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant matter or circumstance arising after the reporting period up to the date of this report.

Commentary

OVERVIEW

Salient features

- Strong improvement in the safety performance
- Revenue declined by 25% to R18,0 billion (2014: R23,9 billion)
- Headline loss of R231 million (2014: Headline earnings of R138 million)
- Property transaction concluded in September 2015 of R1,1 billion offset by the settlement of the QCLNG advance of R1,1 billion
- Aveng Grinaker-LTA advances towards break-even with strong cash generation of R277 million in the six months
- Continuous focused restructuring is yielding results, most notably relating to Aveng Grinaker-LTA and Aveng Mining
- Net cash of R331 million compared to R393 million in June 2015
- Board's strategic review outcomes:
  – Aveng Steel divestment
  – Aveng Capital Partners monetisation
  – Aveng Grinaker-LTA empowerment

Aveng Limited ("Aveng", the "Group") reported a headline loss of R231 million or a headline loss per share of 58,0 cents for the six months ended 31 December 2015, relative to a headline profit of R138 million or 34,5 cents per share for the comparative period, and a headline loss of R716 million for the preceding six months (second half of 2015 financial year). The Group's revenue declined by 25% to R18,0 billion (2014: R23,9 billion) in line with management's expectations, notably in McConnell Dowell and Aveng Grinaker-LTA. Net operating earnings decreased by 87% to R52 million.

The Group generated basic earnings of R230 million (December 2014: R358 million). The continued global economic slowdown and consequent weak demand for infrastructure projects, a generally weak local trading environment for steel and cost pressures in the mining sector were key contributors to the financial loss. This was partially mitigated by the substantially improved performance in Aveng Grinaker-LTA, the solid underlying results from Aveng Mining and Aveng Manufacturing, albeit at lower volumes, as well as successful cost saving initiatives. The conclusion of the property transaction contributed R577 million to basic earnings.

The interim results have been reviewed by the Company's external auditors, Ernst & Young Inc. and the unmodified review conclusion is available for inspection at the Company's registered office.

Safety

Safety remains a core value of Aveng and is integral to the way the Group conducts its business. The Group remains fully committed to driving its safety vision *"Home without harm, Everyone, Everyday".*

In the period the All Injury Frequency Rate ("AIFR") improved by 20% to 2,8 from 3,5. This indicator includes all types of injuries and principally indicates broad personal injury trends. Aveng continues to see strong year-on-year improvement in safety performance as well as an increase in the reporting of high risk, near-miss incidents as a leading indicator in its safety strategy. It is anticipated that reporting thresholds for total injuries will continue to improve across operations.

Our Board and management are concerned with current levels of road traffic safety and believe a renewed emphasis is required across our South African operations. We work on various public road projects where our people are exposed to the poor road safety behaviour on public roads and have noted a resultant increase in road traffic instances and near-misses attributable to poor road safety by road users. We will be engaging with relevant roads agencies and law enforcement authorities to improve the situations through closer collaboration.

STRATEGY

Aveng continues to execute its strategy in three distinct phases. The initial "recover and stabilise" phase is well advanced as evidenced by the continued improved performance at Aveng Grinaker-LTA, the overall fixed cost reduction across the Group, improved liquidity and cash generation in South Africa and improved project execution through improved risk management. While McConnell Dowell made good progress in finalising various large projects, financial performance remains disappointing and is receiving ongoing attention. The first phase of the strategy has been executed by a management team that is now stable, with no unexpected changes within key positions and the attraction of new talent into the Group.

The next phase of our strategy "position for growth" will require us to further strengthen our businesses in our key domestic markets of South Africa and Australia, to optimise our portfolio through improved capital allocation and to enhance our strategy into the rest of Africa. This will position Aveng for the medium term phase to "generate growth and enhance profitability and cash flow". To achieve this we will leverage our client and industry delivery model, using our platforms in South Africa and Australia to access the key growth markets of Africa and Southeast Asia.

Despite the progress made in the implementation of this strategy and noticeable improvements in project performance and cost reductions, the Group is faced with continued weak markets. Management continues to evaluate and execute additional steps that are required to respond to these market conditions to ensure optimal performance and cash preservation.

The Board is cognisant of Aveng's poor share price performance, particularly relative to the sector and in addition to a sharp focus on operational performance, has undertaken a strategic review of the business in order to accelerate the unlocking of value to shareholders.

Details around the activities undertaken during the period are as follows:

- ***Aveng Grinaker-LTA turnaround***

The improved performance by Aveng Grinaker-LTA in a number of areas is evidence of the operational turnaround. Loss-making contracts have been closed out, including the Grootegeluk project, while the Mokolo Pipeline is well into the final stages of remote operations commissioning. The ratio of projects executed at or better than tender margin has substantially improved. This ratio will continue to be closely monitored. Whilst not at optimal levels, the achieved margin has significantly improved. The overhead reduction programme was completed during the period under review resulting in a lower overall cost base but incurring once-off restructuring costs during the period. Current market expectations imply that further cost reductions will be required albeit at lower levels. Strong cash generation in the period has been supplemented by the resolution of various claims and receivables most notably, in the power sector. This was brought about by a stable management team and considerable improvements in the core skills base.

Aveng Engineering, now under the management of Aveng Grinaker-LTA, was restructured during the period. Loss-making contracts have been completed with the exception of one remaining water project that is currently in the commissioning phase. Aveng has retained both the Water and the broader Operate and Maintain businesses, both of which are now managed as part of the Mechanical and Electrical business unit. The retention of these businesses is supported by both the expected water infrastructure improvements projects that should be announced in the future and the competitive advantage that Aveng is secured in this market by virtue of its hard-won experience and breadth of products and services offered.

- ***Liquidity***

The Group ended the first half of the year with net cash of R331 million, following the repayment of the QCLNG advance, the successful conclusion of the property transaction, strong operational cash generation from all South African operations offset by a AUD74 million cash utilisation by McConnell Dowell. During the period several cash consumptive projects were completed and combined with the net cash position and available facilities, the Board believes that the Group is well placed to manage through what is likely to remain a difficult medium term trading environment. The Group had free liquidity headroom of R2,5 billion at 31 December 2015.

- ***Claims***

Following the repayment of the advance payment linked to the QCLNG project, the arbitration process has now moved to the hearing stage with the first round of hearings completed in December 2015. The second round of hearings will take place during

February and March 2016 and Aveng has been advised to expect the findings during September/October 2016. The claims relating to the GCRT project were lodged during the period. However, the process remains protracted with conclusion anticipated in late 2017. Excluding these two projects the Group's uncertified claims position is R1.3 billion.

Good commercial and technical progress has been achieved on the Chuquicamata contract in Chile with a commercial settlement being reached for outstanding claims during the period. The project is progressing well and the relationship with the client is satisfactory.

Total *Amounts Due From Contract Customers* have reduced by R1,3 billion, excluding foreign exchange movements, due to an intensified focus on claims settlements in all business units combined with continuous collection of receivables.

Strategic review and cautionary announcement

Following the previously announced strategic refocus initiated by the Board for the Steel operating group, amongst other actions, Aveng has received various non-binding offers from numerous parties, to acquire or partner with Aveng, for both the entire operating group and/or for certain of its individual business units. Confidential discussions are ongoing though there can be no certainty that these discussions will result in any transactions. Accordingly, shareholders in Aveng should exercise caution when trading in their securities. Aveng will make further announcements, if and when appropriate. It is important to note that the disinvestment decision is based on longer-term strategic objectives. In the near term, the outlook for the steel business is improving and given our liquidity position, we are comfortable that any disposal will therefore only occur at an acceptable value.

The turnaround process of Aveng Grinaker-LTA has reached a stage where consideration can be given to position the business for future growth in terms of Aveng's existing strategy. The transformation of the construction and engineering sector in South Africa received increased focus over the past year. In order to remain relevant to a transforming South African economy, the Board has concluded that it is a business imperative to introduce a B-BBEE partner or partners who will hold a significant equity interest in the business. Advisors have been appointed to assist Aveng in this process and stakeholders will be updated as this transaction progresses.

Consistent with the strategy of recycling the capital invested within the portfolio of Aveng Capital Partners once the underlying projects have reached an appropriate level of maturity, the Board has approved the monetisation of the existing portfolio. Assets currently under management will be disposed of in the market or seeded into a fund. An independently obtained valuation indicates substantial cash value to be realised through such transactions.

The Board is of the view that executing these transactions will aid an improved return on invested capital in the medium term. Combined with the existing robust liquidity position, this will provide the Group with greater flexibility and optionality in its capital allocation.

MARKET REVIEW

Aveng operates mainly in the South African, SADC, Australasian and Southeast Asian markets. These markets remain weak but opportunities still exist specifically in the South African building sector and in New Zealand and Southeast Asia.

The Australian market has remained subdued with tender conversion rates not meeting expectations. Continued declines in heavy industrial infrastructure investment in Australia will continue to negatively impact the results of McConnell Dowell. The softening of commodity prices has negatively impacted the Group's resource and energy clients. McConnell Dowell is therefore actively pursuing cross-border opportunities in the social and transport infrastructure market in New Zealand and Southeast Asia.

The South African building industry is fairly strong in residential building and selective commercial building opportunities in the municipal, commercial and industrial markets. However, opportunities in the Civils and Mechanical and Electrical businesses remain constrained with ongoing delays in the public sector infrastructure roll out and the depressed resources sector.

The continuing demand for concrete products in the construction sector and rail products and services, albeit at lower levels, remains favourable for Aveng Manufacturing.

The mining industry in South Africa is expected to remain under considerable pressure in the medium term, which has resulted in numerous mining contract cancellations, scope reductions and requests for margin discounts. Careful consideration has been given to new mining opportunities and the extension of the business' international footprint.

The South African domestic steel market was adversely impacted by lower priced imports, poor domestic demand and excess capacity in international markets. However, volumes have stabilised in more recent months and some recovery has been noted. These latest developments, including those supportive of the South Africa upstream steel industry, are reassuring of Board's position that the disposal of Aveng Steel must be at an acceptable value.

FINANCIAL PERFORMANCE

Statement of comprehensive earnings

Revenue decreased by 25% to R18,0 billion against the comparative period's R23,9 billion. This is largely attributed to the continued weak demand for infrastructure in our key markets of South Africa and Australia, which was partially offset by opportunities in Southeast Asia and New Zealand. Four of the key sectors namely, mining, Oil & Gas, steel and publicly funded infrastructure projects in South Africa remained subdued. Gross margin for the Group improved to 7,2% compared to 6,5% in the comparative period.

Net operating earnings decreased by 87% to R52 million, from R413 million in 2014, as a result of:

- Reduced earnings at McConnell Dowell, due to lower activity levels, combined with a disappointingly low margin performance within Australian Operations;
- Severe weakness in steel demand and pricing, resulting in an operating loss at Aveng Steel;
- Lower margins due to commodity price pressure in the mining business;
- The inclusion of four months of results of the Electrix business in the prior period; and
- Lower fair value gains in Aveng Capital Partners due to most renewable energy projects reaching market maturity in the prior period.

This was partially mitigated by:

- A substantially improved performance at Aveng Grinaker-LTA;
- Solid underlying results from Aveng Mining and Aveng Manufacturing, albeit at lower volumes; and
- Decreased operating expenses.

EBITDA decreased by 46% to R496 million from R928 million in 2014.

Gain on property transaction of R577 million relates to the sale and leaseback of the majority of the Group's property portfolio.

An **impairment charge** of R23 million was recognised against abandoned plant and equipment in the Mining segment.

Net **finance charges** of R156 million decreased by 6% in relation to the comparative period, as a result of larger average cash balances, offset by lower convertible bond costs in the comparative period (R52 million).

The **taxation expense** amounts to R218 million compared to R125 million for December 2014. This represents an effective tax rate of 48,4%, versus 25,7% in the comparative period. This is mainly attributable to withholding tax of R103 million payable on profit expatriated from Guinea following the completion of a project.

Headline earnings decreased to a loss of R231 million from an earnings of R138 million. Items excluded from the calculation of headline earnings include impairment charges and the gains on the property transaction.

Earnings per share of 57,8 cents (2014: 89,3 cents) decreased by 35,3% and **headline loss per share ("HEPS loss")** of 58,0 cents reduced compared to HEPS of 34,5 cents in the comparative period.

Statement of financial position

The Group reduced its **capital expenditure** to R171 million (2014: R583 million): applying R89 million (2014: R456 million) to replace and R82 million (2014: R101 million) to expand property, plant and equipment and intangibles. The majority of the amount was spent as follows:

- R41 million at McConnell Dowell, relating to specific contracts; and
- R63 million at Aveng Manufacturing to increase the capacity and optimise efficiencies in its factories.

The reduced capital expenditure is in line with the Group's current requirements.

Equity-accounted investments decreased by 10% compared to 30 June 2015. This was primarily due to additional losses on the Gouda renewable energy project.

Infrastructure investments of R877 million increased by R99 million compared to 30 June 2015, after recognising the Group's 30% investment in the property portfolio.

Amounts due from contract customers (non-current and current), remained relatively flat at R10,2 billion when compared to December 2014 and June 2015. There was an underlying decrease in this balance of R1,3 billion which was offset by R1,2 billion of foreign exchange translation movement. Operationally the receivables at McConnell Dowell decreased in line with contracting revenue and settlements, while uncertified claims, variations and receivables decreased at Aveng Grinaker-LTA as a result of various settlements specifically in the power sector.

Amounts due to contract customers decreased by 24% to R1,8 billion against the comparative period and decreased by 30% compared to R2,6 billion at 30 June 2015, as a result of the utilisation of advance payments at McConnell Dowell.

Inventories decreased by 22% to R2,4 billion against the comparative period and decreased by 5% compared to 30 June 2015 as a result of inventory management to align to the current market demand.

Trade and other receivables of R2,0 billion decreased by 18% against the comparative period and decreased by 17% compared to 30 June 2015 due to improved collections at Aveng Manufacturing and Aveng Steel, combined with lower revenue at Aveng Steel.

Borrowings and other liabilities of R3,1 billion increased by R658 million against the comparative period due to a AUD60 million facility drawn to repay a portion of the QCLNG advance.

Trade and other payables decreased by R1,4 billion or 18% to R 6,6 billion against 30 June 2015. Excluding the foreign exchange impact, the underlying reduction of R1,9 billion was primarily due to the repayment of the QCLNG advance payment of AUD112,5 million as well as lower activity levels at McConnell Dowell and Aveng Steel.

Operating free cash flow for the period amounted to a R295 million outflow after including:

- The repayment of the AUD112,5 million on the QCLNG contract;
- Offset by R1,1 billion proceeds on the disposal of the properties portfolio;
- Significant cash outflows for McConnell Dowell associated with the utilisation of advance payments, the completion of large projects such as Perth Airport and additional remedial work on the GCRT contract;
- Strong cash generation in all South African operations most notably at Aveng Steel and Aveng Grinaker-LTA;
- Net capital expenditure of R126 million; and
- The final payment of R102 million to the Competition Commission.

Cash and bank balances increased to R3,5 billion (June 2015: R2,9 billion), resulting in a net cash position of R331 million (June 2015: R393 million). The foreign currency revaluation amounted to R314 million.

OPERATING REVIEW

Construction and Engineering: Australasia and Asia

This operating segment comprises Australian Operations, Overseas Operations, Pipelines, Tunnels and Built Environs.

Revenue decreased by 40% to AUD726 million (2014: AUD1,2 billion) or R7,0 billion (2014: R11,8 billion). This is reflective of the completion of multi-year pipeline and infrastructure contracts, and the sale of Electrix in the prior financial year. Net operating earnings decreased from R183 million to R8 million due to the weaker Australian construction market and a disappointing performance from Australian Operations, partially offset by a solid performance in Overseas Operations and Pipelines. The results were negatively impacted by costs associated with additional tender expenses for significant EPC contracts that were not secured in a fiercely competitive Australian market.

As was expected, cash flow was negative during the period, and will continue to be negative for the next six months due to additional utilisation of advance payments, coupled with a slow uptake of new work. Cash flow should be impacted positively by the resolution of claims.

Australian Operations

Australian Operations reported a decrease in revenue of 58% to R2,5 billion (AUD255 million) compared to R6 billion (AUD516 million) in 2014, mainly due to the completion of large projects in the prior year and the continued weakness in the Australian market. The Australian market is challenging and competition for larger projects is very aggressive, resulting in tender costs incurred on contracts not won negatively impacting the operating margin. Earnings for the period ended December 2015 are considerably lower than the comparable period due to lower levels of new work won in the last 18 months.

Remedial work and demobilisation actions associated with the GCRT contract are substantially complete with close-out awarded and achieved on 23 December 2015. Given the technical and legal complexities, it is expected that the commercial negotiations will be protracted, and thus the final outcome remains uncertain and a material risk to the Group. The process of finalising and resolving claims continues to receive considerable attention.

During the period **Built Environs** completed the expansion on Perth Airport Terminal 1, the terminal was operational in November 2015 and has been successfully handed over to the client.

In response to ongoing declines in available work and a challenging outlook for the Australian construction and engineering market, steps were taken in the prior period to reduce costs by 20%. Given an expectation that market conditions are likely to persist in the near term, McConnell Dowell will continue to review its overheads.

Overseas Operations

Overseas Operations comprise our operations in Singapore, Malaysia, Thailand, Indonesia, Philippines, Hong Kong, the Middle East, and New Zealand. Due to excellent project execution, performance was strong despite challenging market conditions. Revenue increased by 37% to R2,5 billion (AUD257 million) with good margins above 8,5% and positive cash flow.

Pipelines

The Pipelines business unit reported a decrease in revenue of 26% to R886 million (AUD90 million) from R1,2 billion (AUD119 million) in 2014, as a result of the completion of large pipeline projects in the prior year. With limited opportunities in the Oil & Gas sector, the recent win of the Northern Gas Pipeline and ongoing work for APLNG are pleasing results.

Tunnels

Revenue declined by 14% to R800 million (AUD81 million) from R900 million (AUD95 million). The Land Transit Authority contracts in Singapore are nearing completion and both have been a technical success, with the project opening on schedule in December. The Waterview project, the largest infrastructure development ever undertaken in New Zealand, is on schedule for completion in late 2016. Earnings declined as a result of large tender costs of AUD3 million on major projects that were not awarded to the business unit.

Construction and Engineering: South Africa and rest of Africa

This operating segment comprises Aveng Grinaker-LTA, Aveng Engineering and Aveng Capital Partners. Aveng Engineering has been discontinued with the remaining portions of Water and Operate & Maintain merging with Mechanical and Electrical within Aveng Grinaker-LTA.

Revenue decreased by 9% to R3,9 billion (December 2014: R4,3 billion) primarily due to lower civil engineering and mechanical and electrical work.

Net operating losses for the segment decreased by 45% to R125 million (2014: R229 million) due to a substantial turnaround from Aveng Grinaker-LTA, with a small loss of R48 million against R299 million in the comparable period.

Civil Engineering

Revenue decreased by 25% to R1,2 billion (December 2014: R1,6 billion) reflecting lower activity in the Civil Infrastructure business. The operating profit increased to R33 million compared to the operating loss of R195 million incurred in 2014.

Significant progress was made on improving the margin on specific contracts in the power programme, specifically relating to Medupi. Cost reduction will continue proactively as the short-term outlook is constrained. The Majuba contract is well into the final stages of construction, with large sections handed over to Aveng Rail. Various commercial matters, including claims and variations, remain outstanding and are being negotiated.

Mechanical and Electrical

Revenue decreased by 13% to R835 million (December 2014: R954 million) due to lower activity in the industrial and Oil & Gas sectors combined with project delays and cancellations in mining. Higher revenues were achieved on the Kusile BOP project compared to the six months ended 31 December 2014, as a result of the acceleration measures taken in order to meet the power utility's client milestone dates. The operating margin was negatively affected by losses incurred in closing out the Sasol MT7 project and the ongoing Alstom power programme partnership. The operating loss marginally decreased to R29 million (December 2014: R32 million).

Buildings & Coastal

Revenue increased by 25% to R1,5 billion (December 2014: R1,2 billion) with the net operating earnings reflecting a significant improvement to R65 million, from a loss of R5 million. The improvement in revenue is due to the growing order book, the ramp-up on the Mall of the South project, that was successfully handed over in September 2015 and peak production to complete the Sasol Corporate Head Office superstructure, which is well on track. Projects on the Ekurhuleni municipal infrastructure programme are progressing well. Cost reduction initiatives and greater operational efficiencies were realised during the period. The short term outlook for Building is positive with the order book having grown significantly by 67% in the second quarter, and an attractive pipeline of further projects in the short term.

The activity level in the Coastal operations is on target with major contracts, Dr Pixley Ka Isaka Seme Memorial hospital in KwaZulu-Natal, extensions to the Cape Town International Convention Centre and Aspen Pharmacare's manufacturing facilities in Port Elizabeth, all in progress. There has been significant progress made in the Western Cape Education Department's infrastructure programme management contract, with the first project completed and handed over and a pipeline of new work in planning phases.

Aveng Engineering

Aveng Engineering revenue decreased by 69% to R149 million (December 2014: R477 million) largely due to the completion of the construction works on the water and power plants and the move to commissioning and operations. The Gouda wind farm final construction has been completed along with technical hand-over. Final operational hand-over is anticipated at the end of March 2016. The construction of the eMalahleni project has now been completed and commissioning is underway. Additional costs and liquidated damages on these two contracts impacted the operating earnings negatively, resulting in a net operating loss of R83 million.

The focus remains on leveraging the significant advantage held within the Aveng Water business in acid mine drainage and desalination technology. The South African mining and municipal water sectors offer various attractive opportunities for growth. The remaining portion of Aveng Engineering will merge with Mechanical and Electrical, which will lead to efficiencies.

Aveng Capital Partners

Aveng Capital Partners is responsible for managing the Group's investments in South African toll roads, real estate and renewable energy concessions.

Net operating earnings decreased by 94% against the comparative period to R6 million (2014: R97 million) primarily due to the majority of the renewable energy investments achieving marketable maturity in the prior period.

Mining

This operating segment comprises the merged business of Aveng Moolmans and Aveng Mining Shafts & Underground.

The segment reported consistent revenue of R3,0 billion against the comparative period. Net operating earnings decreased by 18% to R198 million (2014: R241 million). The operating margin declined to 7% (2014: 8%) largely as a result of discounts awarded to clients on various contracts. Existing mining contracts are under cost pressure from clients operating in a difficult commodities environment. The Mining operating group is working closely with clients to assist in reducing overall mining costs and to regain some of the margins lost due to discounts through various productivity improvement and cost efficiency initiatives.

The mining industry continues to be under extreme pressure which is affecting the contracts in hand and the opportunities being presented. This impact is likely to be evident in the remaining six months of this financial year. The Mining team will pursue opportunities to revise and better balance the geographic and commodity mix in its client portfolio in order to strengthen its order book and improve shareholder returns. Details will be announced once further progress is made. Given usual project lead times, Aveng does not expect this to materially change in the next 12 to 18 months.

Aveng Moolmans

The revenue of **Aveng Moolmans** remained flat at R2,2 billion. The pressures being experienced by clients due to the downturn in the commodity cycle will most likely be evident during the next six months, as a number of clients have indicated that there will be reduced production volumes, particularly on the Tshipi é Ntle, Nkomati Nickel and Sishen contracts. This will place strain on the order book going forward. However, opportunities are being pursued to mitigate this impact.

Despite the current market conditions Aveng Moolmans continued to record good results, strong performances were achieved on other domestic and international mining contracts. Contract extensions were granted at Klipbankfontein and Sadiola.

Aveng Mining Shafts & Underground

The revenue of **Aveng Mining Shafts & Underground** increased by 11% to R811 million (2014: R730 million) due to development work that was commenced on the new Black Rock contract. In addition, although the Styldrift and Eland contracts were cancelled, revenue was generated prior to the contract cancellations.

In comparison to the prior period, Shafts & Underground has reduced its net operating loss. This is largely attributable to cost saving initiatives as a result of the merger of the Aveng Mining business units and improved discipline in commercial processes. The general downturn in the mining industry has resulted in a more selective approach to bidding for new work in order to strengthen the quality of the business unit's earnings, and mitigate the risk by securing longer term contracts. Shafts & Underground finalised claims on the Chuquicamata contract with the cash being received in December 2015. The Platreef Platinum Mine and Black Rock contracts continue to progress to plan and the Kalagadi contract was completed during the period. Good progress was made on the Bakubang project and commercial discussions continue on the resolution of claims.

Manufacturing and Processing

This operating segment comprises Aveng Manufacturing and Aveng Steel.

Revenue decreased by 17% to R4,4 billion (2014: R5,3 billion). Net operating earnings decreased significantly to a loss of R48 million (2014: R79 million earnings). Aveng Steel was negatively impacted by weak demand, reduced international steel prices, increased competition from cheaper imports and significant restructuring costs to re-align the fixed cost base. Despite lower gross profit margins, the operating segment contributed strongly to positive cash flows.

Aveng Manufacturing

This operating group consists of Aveng Automation & Control Solutions (ACS), Aveng Dynamic Fluid Control (DFC), Aveng Duraset, Aveng Infraset and Aveng Rail.

Revenue decreased by 11% to R1,6 billion (2014: R1,8 billion). Net operating earnings decreased by 31% to R99 million (2014: R144 million). Despite tough market conditions, the operating group continues to perform well although the impact from the slowdown in the mining sector and lower sleeper volumes have negatively impacted its financial performance.

Aveng ACS – Aveng Control Solutions performed well despite lower activity in the traditional Oil & Gas market. Revenue, has increased by 7% to R237 million (2014: R222 million), which is due to the timing of current projects relative to last year, as well as diversification into non-traditional markets.

Aveng DFC – revenue has increased by 9% to R246 million (2014: R225 million), mainly due to growth in the US and Australian markets. Local volume demand was lower and subsequently negatively impacted profitability.

Aveng Duraset – revenue decreased by 1% to R263 million (2014: R265 million) driven by lower demand from the local mining sector.

Aveng Infraset – revenue decreased by 37% to R464 million (2014: R734 million) due to large sleeper supplies in the prior period, both locally and across border. The decline in the international commodity prices has resulted in a slowdown in the international sleeper revenue and general rail construction projects. Construction products continue to enjoy solid demand locally and are performing as expected.

Aveng Rail – revenue increased by 10% to R437 million (2014: R396 million), mainly due to Majuba, Rosmead and Black Rock construction projects.

Despite the challenging environment, the outlook for Aveng Manufacturing is encouraging. Transport infrastructure remains a key growth market. Although mining in South Africa is expected to remain subdued, this is mitigated by mining in the rest of Africa, Russia and South America; which could drive demand for many of the product lines.

Building on the cash flow discipline introduced some time ago, the Manufacturing operating group remains cash generative.

Aveng Steel

This operating group consists of Aveng Trident Steel, Aveng Steeledale and Aveng Steel Fabrication.

Revenue decreased by 18% to R2,8 billion (2014: R3,4 billion), severely impacted by reduced international steel prices and lower local demand. Profitability declined to a loss of R147 million compared to a loss of R65 million in the prior period, in line with revenue and was further impacted by restructuring costs. Cost savings were driven by improved efficiencies across the operating group and continue to be realised. Despite poor trading conditions, the operating group was a significant contributor to positive cash flow. This was achieved through the reduction in working capital, most notably reduced inventory. It is expected that the market conditions will be positively impacted by the implementation of custom duties and anti-dumping duties in the second half of the financial year.

Other and Eliminations

Included in Other and Eliminations is the Group's Corporate Office and Properties. In September 2015 the Group began paying operating lease payments to the property venture, Dimopoint for the use of the properties sold in the sale and lease back transaction.

Two-year order book

The Group's two-year order book amounts to R29,3 billion at 31 December 2015, remaining relatively flat on the R28,9 billion reported at 30 June 2015.

The focus remains on securing quality work at targeted margins. While the Group has adopted a portfolio approach within the respective disciplines at McConnell Dowell and Aveng Grinaker-LTA, current market conditions resulted in a move towards lower margin disciplines. This is particularly notable in South Africa with a strong swing towards building work. While the Aveng model seeks to optimise the balance across the core disciplines to achieve targeted margins and diversify revenue streams, this remains challenging in current conditions.

Over the last six months, the Mining operating group's order book has decreased by 20% from R7,9 billion to R6,3 billion as a result of contract cancellations and a reduction in the scope of work, while the Construction and Engineering: Australia and Asia operating group's order book increased by 8% in Australian Dollar terms from AUD1,2 billion to AUD1,3 billion (R11,6 billion to R14,1 billion). Construction and Engineering: South Africa and rest of Africa's order book increased by 5% from R7,3 billion in June to R7,7 billion in December.

Recent significant project awards include the 129 Rivonia development in Sandton (situated on the site of the previous Village Walk), the first phase of the Leonardo Towers in Sandton and the Hilton Hotel in Swaziland. In Australia and Asia, recent awards include the Waitaki Bridges Replacement and O-Bahn City Access projects, the Northern Gas Pipeline in Northern Territory, Christchurch in New Zealand, the Barangaroo Ferry in New South Wales and the Rapid SCC project in Malaysia. Mining contracts were also extended at Kolomela (Klipbankfontein) and Sadiola.

The geographic split of the order book at 31 December 2015 was 51% Australasia and Asia (June 2015: 40%), 43% South Africa (June 2015: 56%) and 6% Other (June 2015: 4%).

OUTLOOK AND PROSPECTS

Aveng is expecting the market to remain subdued in the short to medium term with limited evidence of large infrastructure contracts. There are attractive opportunities in Australia, New Zealand and Southeast Asia in particular. Our key markets are expected to remain tough and management will continue to take the necessary actions to manage the business within the constraints of the current economy.

Aveng will continue to focus on cash generation, cost efficiencies and preserving the balance sheet for the remainder of the financial year. In addition, notable attention will be given to the strategic initiatives described above, the disinvestment from Steel, the monetisation of Aveng Capital Partners and the empowerment of Aveng Grinaker-LTA.

DIRECTORS

Mr Sean Flanagan was appointed as an independent non-executive director of the Aveng Board with effect from 1 November 2015.

DISCLAIMER

The financial information on which any outlook statements are based has not been reviewed or reported on by the external auditors. These forward looking statements are based on management's current belief and expectations and are subject to uncertainty and changes in circumstances. The forward looking statements involve risks that may affect the Group's operations, markets, products, services and prices.

By order of the Board

M Seedat
Chairman

HJ Verster
Chief executive officer

23 February 2016

Corporate information

Directors
MI Seedat*# (Chairman)
EK Diack*#
HJ Verster (Chief Executive Director)
AWB Band*#
PJ Erasmus*#
S Flanagan*#
MA Hermanus*#
P Hourquebie*#
MJ Kilbride*#
AH Macartney (Group Finance Director)
JJA Mashaba (Group Executive Director)
T Mokgosi-Mwantembe*#
KW Mzondeki*#
PK Ward*#
(*non-executive) (#independent)

Company Secretary
Michelle Nana

Business address and registered office
Aveng Park
1 Jurgens Street, Jet Park
Boksburg, 1469
South Africa
Telephone +27 (0) 11 779 2800
Telefax +27 (0) 11 784 5030

Company registration number
1944/018119/06

Share codes
JSE: AEG
ISIN: ZAE 000111829

Website
www.aveng.co.za

Auditors
Ernst & Young Inc.
Registration number: 2005/002308/21
102 Rivonia Road
Sandton, Johannesburg, 2194
Private Bag X14
Northlands, 2116
South Africa
Telephone +27 (0) 11 772 3000
Telefax +27 (0) 11 772 4000

Principal bankers
Absa Bank Limited
Australia and New Zealand Banking Group Limited
Barclays Bank plc
Commonwealth Bank of Australia Limited
FirstRand Bank Limited
HSBC Bank plc
Investec Bank Limited
Nedbank Limited
Standard Chartered Bank plc
The Standard Bank of South Africa Limited

Corporate legal advisers
Baker & McKenzie
Cliffe Dekker Hofmeyr
Norton Rose Fulbright
Webber Wentzel

Sponsor
J.P. Morgan Equities South Africa Proprietary Limited
Registration number: 1995/011815/07
1 Fricker Road, cnr Hurlingham Road
Illovo, 2196
South Africa
Telephone +27 (0) 11 537 0300
Telefax +27 (0) 11 507 0351/2/3

Registrars
Computershare Investor Services Proprietary Limited
Registration number: 2004/003647/07
70 Marshall Street, Johannesburg, 2001
PO Box 61051
Marshalltown, 2107
South Africa
Telephone +27 (0) 11 370 5000
Telefax +27 (0) 11 688 5200

Business address and registered office
Aveng Park, 1 Jurgens Street,
Jetpark, Gauteng, 1469

PO Box 6062, Rivonia, Johannesburg,
Gauteng, 2128, South Africa

Telephone: +27 (0) 11 779 2800
Telefax: +27 (0) 11 784 5030

HOME WITHOUT HARM
EVERYONE EVERYDAY

www.aveng.co.za