2013

RESULTS

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE

HIGHLIGHTS

RELIABILITY IS AT THE CORE OF THE GROUP'S BRAND AND CULTURE AND IS AN INTEGRAL PART OF OUR DAILY OPERATIONS

32,9% up
Revenue

3,7% down
Operating profit

1,4% down
Headline earnings

4,5% up
Dividend per share

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

	% change	Audited June 2013 R'000	Restated June 2012 R'000
Revenue	32,9	23 773 481	17 893 351
Operating profit before non-trading items	(3,7)	939 191	975 702
Impairment of goodwill		(9 112)	(23 220)
Contingent consideration refunded		9 720	–
Fair value adjustments to investments		–	(80)
Impairment of property, plant and equipment		(536)	–
Impairment of financial assets		(6 429)	(9 398)
Profit on disposal of investments		–	41 982
Share-based payment expense		(24 990)	(10 420)
Operating profit		907 844	974 566
Share of profits and losses from associates		(14 890)	(39 538)
Income from investments		144 672	195 029
Operating income		1 037 626	1 130 057
Finance costs		(29 049)	(13 894)
Profit before taxation		1 008 577	1 116 163
Taxation		(333 672)	(403 003)
Profit for the year	(5,4)	674 905	713 160
Operating margin		4,0%	5,5%
Profit attributable to:			
Equity shareholders of Wilson Bayly Holmes-Ovcon Limited		611 745	648 754
Non-controlling interests		63 160	64 406
		674 905	713 160
Earnings per share (cents)	(6,7)	1 104,3	1 184,0
Diluted earnings per share (cents)	(7,2)	1 093,3	1 177,6
Headline earnings per share (cents)	(1,4)	1 150,9	1 166,7
Diluted headline earnings per share (cents)	(1,8)	1 139,4	1 160,4
Dividend per share (cents)	4,5	368,0	352,0

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Audited June 2013 R'000	Restated June 2012 R'000
Profit for the year	674 905	713 160
Translation of foreign entities	125 374	82 435
Share of associates' comprehensive income	28 873	6 646
Total comprehensive income for the year	829 152	802 241
Total comprehensive income attributable to:		
Equity shareholders of Wilson Bayly Holmes-Ovcon Limited	765 992	737 835
Non-controlling interests	63 160	64 406
	829 152	802 241

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited June 2013 R'000	Restated June 2012 R'000
ASSETS		
Non-current assets	3 384 834	3 043 512
Property, plant and equipment	1 949 689	1 657 974
Goodwill	582 509	555 599
Investment in associates	442 123	420 362
Other non-current assets	410 513	409 577
Current assets	8 697 639	8 298 365
Other current assets	5 362 080	5 229 482
Cash and cash equivalents	3 335 559	3 068 883
Total assets	12 082 473	11 341 877
EQUITY AND LIABILITIES		
Capital and reserves	4 575 365	4 323 696
Stated capital and reserves	4 423 257	4 110 338
Non-controlling interests	152 108	213 358
Non-current liabilities	172 482	163 032
Long-term financial liabilities	160 745	151 411
Other non-current liabilities	11 737	11 621
Current liabilities	7 334 626	6 855 149
Other current liabilities	7 334 626	6 855 149
Total equity and liabilities	12 082 473	11 341 877

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited June 2013 R'000	Restated June 2012 R'000
Ordinary share capital and reserves at the beginning of the year	4 110 338	3 485 376
Profit for the year	611 745	648 754
Other comprehensive income for the year	125 374	82 435
Share of associates' other comprehensive income	28 873	6 646
Share of movement in associates' equity	–	7 969
Dividend paid	(241 619)	(203 613)
Treasury shares sold	–	47 512
IFRS 2 share-based payment expense	24 990	10 420
IFRS 2 share-based payment settlement	2 569	–
Changes in shareholding	(239 011)	24 839
Ordinary share capital and reserves at the end of the year	4 423 257	4 110 338

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited June 2013 R'000	Restated June 2012 R'000
Cash generated from operations	1 584 228	970 833
Income from investments	135 237	116 570
Finance costs	(29 049)	(13 593)
Taxation paid	(408 079)	(381 377)
Dividends paid	(282 357)	(203 613)
Cash retained from operations	999 980	488 820
Net cash flow from investing activities	(675 621)	(300 748)
Net cash flow from financing activities	(102 860)	(36 280)
Net increase in cash and cash equivalents	221 499	151 792
Cash and cash equivalents at the beginning of the year	3 068 883	2 866 379
Foreign currency translation effect	45 177	50 712
Cash and cash equivalents at the end of the year	3 335 559	3 068 883

SEGMENTAL INFORMATION

	% margin	Audited June 2013 R'000	Restated June 2012 R'000
Segment revenue			
– Building and civil engineering		6 528 934	5 233 396
– Roads and earthworks		5 073 998	4 279 162
– Australia		12 141 346	8 291 229
– Other operations		29 203	89 564
		23 773 481	17 893 351
Segment operating profit			
– Building and civil engineering	3,7%	240 234	272 028
– Roads and earthworks	10,0%	505 162	492 124
– Australia	1,5%	184 202	203 373
– Other operations	32,9%	9 593	8 177
		939 191	975 702

RECONCILIATION OF HEADLINE EARNINGS

	% margin	Audited June 2013 R'000	Restated June 2012 R'000
Attributable profit		611 745	648 754
Adjusted for:			
Group:			
Impairment of goodwill		9 112	23 220
Impairment of financial assets		1 669	9 398
Profit on disposal of investments		–	(41 982)
Impairment of property, plant and equipment		536	–
Loss/(profit) on disposal of property, plant and equipment		766	(4 582)
Tax effect thereof		(523)	(4 386)
Associates:			
Loss on dilution of interest in associate		1 802	–
Impairment of goodwill		2 855	6 334
Loss on disposal of investments		9 055	2 919
Impairment of property, plant and equipment		620	–
Tax effect thereof		(87)	(409)
Headline earnings	(0,3)	637 550	639 266

ORDINARY SHARES

	% margin	Audited June 2013 R'000	Restated June 2012 R'000
Issued ('000)		66 000	66 000
Weighted average number of shares ('000)		55 397	54 795
Diluted weighted average number of shares ('000)		55 956	55 092

RESTATEMENT OF PRIOR PERIODS

During the current year an error arising from the consolidation of Probuild Constructions (Australia) Pty Ltd when the company changed from being an associate to a subsidiary, together with the fact that the non-controlling interests balance had incorrectly been translated at the closing rate. The correction of which has resulted in the restatement of prior year figures. The following table summarises the adjustments made to the statement of financial position as a result of the correction of this error.

R'000	Intangible assets	Non-controlling interests	Stated capital and reserves
Balances at 1 July 2011 as previously reported	390 467	258 305	3 371 904
Impact of error	82 931	(30 541)	113 472
Restated balances at 1 July 2011	473 398	227 764	3 485 376
Balance at 30 June 2012 as previously reported	460 063	272 379	3 955 781
Impact of the error at 1 July 2011	82 931	(30 541)	113 472
Impact of the error during 2012	12 605	(28 480)	41 085
Restated balance at 30 June 2012	555 599	213 358	4 110 338

There was no impact on the statement of financial performance, other comprehensive income or cash flows.

SUBSEQUENT EVENTS

In April 2013, Capital Africa Steel (CAS) an associate of the group entered into an agreement to facilitate the exit of a minority shareholder in terms of which it repurchased 10% of its share capital for R16 million. The transaction was unconditionally approved by the South African Competition Authorities in terms of the Competition Act No 89 of 1998 in July 2013.

This transaction resulted in the group increasing its interest from 50% to 55,6% and gaining control. As a result the company will be consolidated effective 1 July 2013.

Had CAS been consolidated from 1 July 2012, group revenue would have amounted to R25,2 billion and group profit after tax would have been R672 million. These amounts have been calculated using the group's accounting policies and by adjusting for the effects of related party transactions. The values provided below are provisional.

	Fair value R'000
Non-current assets	749 005
Current assets	871 704
Non-current liabilities	(134 999)
Current liabilities	(821 308)
Net identifiable assets and liabilities	664 402
Deemed disposal	
Deemed consideration	332 201
Investment in associate	(381 139)
Loss on deemed disposal	(48 938)
Deemed purchase	
Deemed purchase price	332 201
Non-controlling interest	295 260
Identifiable assets	(664 402)
Gain on bargain purchase	36 941

BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), IAS 34: Interim Financial Reporting, the SAICA Financial Reporting Guides issued by the Accounting Practices Committee, the South African Companies Act 71 of 2008 and the JSE Listings Requirements. The principal accounting policies used in the preparation of the audited results for the year ended 30 June 2013 are consistent with those applied for the previous year.

Wilson Bayly Holmes-Ovcon Limited (WBHO) makes estimates and assumptions concerning the future, particularly in regard to construction profit recognition, provisions and the fair value of certain assets. The resulting accounting estimates can, by definition, only approximate the actual results. Estimates and judgements are based on historical experience and other factors, including expectations of future events which are believed to be reasonable at that time.

These results have been audited by the independent, external auditors, BDO South Africa Inc. and their unqualified audit opinion is available for inspection at our registered office.

FINANCIAL OVERVIEW

Financial performance

Revenue has increased by 32,9% in the current year, from R17,9 billion to R23,8 billion as a result of solid growth within each of the groups operating segments and a general improvement in the construction operating environment. The growth in revenue was further assisted by a weakening rand against both the US and Australian dollar.

Despite the growth in revenue, operating profit before non-trading items has decreased by 3,7% from R976 million to R939 million with a corresponding decrease in the operating margin from 5,5% to 4,0%. The most significant factors contributing to this decrease can be attributed to additional provisioning of R91 million in respect of the Competition Commission penalty which was finalised in July, additional provisioning of R145 million within three loss-making contracts in Australia and the general completion of contracts in all operating segments awarded when margin pressure was at its greatest.

Profits within Renniks Construction (Pty) Ltd (Renniks) have not met the earn-out target set at the time of acquisition and the contingent consideration was reduced by R9,7 million, the refund for which was received. The negative profit outlook also necessitated an impairment of the remaining goodwill in the company.

The increase in the IFRS2 share-based payment expense is a result of shares issued to middle management at the end of FY12 together with a new allocation of shares within Akani Investments (Pty) Ltd.

Capital Africa Steel (Pty) Ltd (CAS) generated operating profits of R38 million (2012: R17 million) in the year. These earnings were negatively affected by CAS' share of equity accounted losses from Alert Steel, a loss arising from the sale of Alert Steel and exchange differences arising from currency fluctuations, ultimately resulting in an attributable loss of which the group's share amounts to R29 million. The loss was partially offset by the group's share of profits in Gigajoule International (Pty) Ltd, which has seen good growth in gas sales in Mozambique this year.

The effective tax rate remains inflated at 33,3% due to the differential in foreign tax rates in Africa and Australia and the Competition Commission penalty being non-deductible.

Overall earnings per share has declined by 6,7% to 1 104 cents per share (2012: 1 184 cents per share) and headline earnings per share has declined by 1,4% to 1 151 cents per share (2012: 1 167 cents per share).

Financial position

The carrying amount of property, plant and equipment has increased from R1,7 billion to R1,9 billion as the group continues to invest in a modern and reliable fleet of plant. The group has grown the fleet further in the current year to support the growth in both the Roads and Earthworks division as well as WBHO Civils in Australia. Plant capital expenditure in the current year amounted to R497 million, of which R218 million related to replacement within the existing fleet and R279 million related to expansion of the fleet. A budget of R430 million has been authorised for FY14, R115 million in respect of expansion and the balance in respect of replacement.

The cash balances remain stable reflecting a 9% increase from R3,1 billion to R3,3 billion. Cash generated from operations amounts to R1,6 billion compared to R971 million generated in the comparative period.

Financial guarantees issued to third parties amount to R4,7 billion (2012: R3,2 billion).

Changes in shareholding

Effective 1 July 2012, Probuild Constructions Pty Ltd (Probuild) acquired the remaining interest in Contexx Pty Ltd (Contexx) for an amount of AU$32,6 million (R281,3 million) which resulted in a debit amount of AU$11,6 million (R96,9 million) being recognised in equity. AU$19,2 million of the purchase price was settled in cash and AU$13,3 million was settled via an issue of shares in Probuild.

On 3 September 2012, WBHO Australia Pty Ltd acquired an additional 4,1% interest in Probuild at a cost of AU$9,7 million (R84,1 million) which resulted in a debit amount of AU$7,1 million (R61,9 million) being recognised in equity.

Other smaller transactions with minority shareholders in Probuild, either through share buy-backs or direct acquisitions, resulted in a further debit amount of AU$2,5 million (R22,3 million) being recognised in equity.

Locally, the shareholders of Renniks Construction (Pty) Ltd exercised options to sell an additional 10% interest in the company in terms of the original purchase agreement. The purchase consideration amounted to R2,3 million and a credit amount of R0,2 million was realised in equity.

BUILDING AND CIVIL ENGINEERING

There has been a definite increase in available projects during the year as is evident in the revenue growth of 25%. However, the market remained competitive and the operating margin declined further in the current year from 5,2% to 3,7%. The La Croisette contract in Mauritius has been terminated following a dispute between the client and the professional team. The courts there have interdicted the professional team from issuing any further payment certificates. The division has impaired all uncertified revenue as well as two unpaid certificates in the debtor's book, which impacted the margin negatively. Furthermore, building projects secured throughout most of FY12 have been at historically low margins and the completion of these projects in FY13 is reflected in the declining margin.

Building

Following growth of 16% in Gauteng in FY12 moderate growth of 12% was again achieved in FY13. There is significant activity in the commercial office sector in and around Sandton and Rosebank together with ongoing shopping centre refurbishments. The division has negotiated all but two of the major projects currently on its books. Two additional retail projects have also recently been secured within a 100km radius of Johannesburg. Major projects substantially completed this year include the Standard Bank offices in Rosebank, a refurbishment of ABSA's offices in Pretoria and the UNISA Campus in Florida. Projects still under construction include a mixed use development in Newtown, the refurbishment of the Mall of Rosebank and an office development in Alice Lane, Sandton.

Each of the coastal regions generated revenue growth in excess of 20% during the year and are again reaching capacity from a resource perspective. In the Western Cape, like Gauteng, most projects are negotiated. Significant projects this year include the Silo One mixed use precinct at the Waterfront which is essentially complete, a hospital for Netcare at Roggebaai as well as the commencement of the Kathu solar farm in the Northern Cape together with the group's Projects division. In KwaZulu-Natal (KZN) the division identified a number of opportunities arising from mining activity in the Tete region in Mozambique and has secured and commenced three projects in the area in conjunction with the Roads and earthworks division which already has a presence there. Within KZN itself the tender market also remained highly competitive, however, the division secured and commenced an office development in Umhlanga. Hospital work continues to provide a number of projects each year. The division is also active in the Durban Harbour on behalf of Transnet. In the Eastern Cape, the Kinako and Queenstown shopping centres together with the Hemingsway Casino, all of which are now complete, were the main revenue contributors in FY13.

Internationally, the division secured a shopping centre in Accra, Ghana for an existing local client. Resources have been drawn from each of the regions to execute the current contract. An international division has been formalised to drive further growth in Central and West Africa. Three additional contracts are currently being negotiated internationally.

Civil engineering

Revenues from the Civil engineering division were flat year on year. Locally commodity prices and labour instability have had a negative impact on capital expenditure within the mining sector and the market remains competitive. Margins are stable but below optimum levels given the nature of the contracts. Projects underpinning the division's revenue are the Kusile civil works for the new coal-fired power station in Mpumalanga, a chrome plant at Project Lion for Xstrata Alloys as well as a coal plant for Xstrata Coal at its Tweefontein mine in Ogies. Internationally, the division had three projects in Zambia: two mining projects and a new brewery for SAB Miller.

ROADS AND EARTHWORKS

During the current year, the division achieved revenue growth of 19%. The growth was evident across most of the division's markets and regions. Operating profit increased by R13 million to R505 million (2012: R492 million), however, the margin decreased from 11,5% to 10,0%.

Locally, revenue growth amounted to 26% as revenue streams recovered following some improvement in market conditions. The division experienced good growth across all sectors of the local market which include mining and road projects, dams, pipelines and rural housing. Margins from mining projects are stable, however, the number of major projects in the market remains relatively few. The division is executing the bulk earthworks for Xstrata Coal at the Tweefontein mine alongside the group's Civil engineering division. Margins within the road sector remain extremely thin and certain tenders have been lump sum, design and construct contracts which confer additional risks onto the contractor. The division has a number of current road contacts most notably the N4 highway through Middelburg and Nelspruit as well as the Watson Highway in KZN. A substantial portion of outstanding monies in respect of the Free State Roads contracts were settled during the year and work has commenced to complete the remainder of the roads. Edwin Construction continues to perform well in the provincial road market completing a significant amount of rehabilitation works in Limpopo. Roadspan was profitable and showed growth over the period. The market for large pipe-laying contracts remains buoyant and WBHO Pipelines continues to gain market share in this sector. This year the division successfully completed the 150km gas pipeline for SASOL, while the raw water pipeline at Kusile for Eskom has been contractually challenging. Construction of the ash dam as part of the Kusile ancillary works gained traction in the current year and, the project is progressing well. Rural housing continues to provide new projects each year and although logistically challenging are executed at satisfactory margins for the division. The division has now cemented its reputation for good quality and delivery within this sector as well.

Internationally, the division achieved revenue growth of 16%. Good growth was seen out of Mozambique and Botswana, while West African revenues remained consistent with FY12. In Mozambique additional works for Vale and Riversdale at the coal mines in Tete as well the ongoing construction of the Nacala Dam contributed towards revenues. In Botswana the AK6 mining project continued to contribute strongly towards revenue, while WBHO Pipelines commenced work on the 84km North South Carrier water pipeline in joint venture with an international contractor. In West Africa the division achieved another strong performance and has completed the 76km haul road in Guinea, while in Sierra Leone both the Tonkilili railway line and concrete works for a bulk rail handling facility for AML Mining were handed over. Numerous contracts were executed for repeat mining clients in Ghana, the most notable being the bulk earthworks and tailings dam at Newmont's Golden Ridge mine as well as a tailings storage facility for Anglogold Ashanti at the Iduapriem mine.

AUSTRALIA

The Australian building market, whilst remaining competitive from a margin perspective, was particularly buoyant in Melbourne and this was the main driver behind the growth in Australian revenue in FY13. In dollar terms the growth achieved was 29% and this was further assisted to 46% in rand terms as a result of rand weakness. Probuild currently has three challenging projects on its books, in Melbourne, Sydney and Perth respectively. Provisioning within these projects together with restructuring costs following the merger of Probuild and Contexx has resulted in margins declining from 2,5% in FY12 to 1,5% in FY13.

Probuild

With the exception of the three loss-making projects mentioned above, Probuild delivered a solid performance. In Melbourne, strong demand for high-rise residential projects has been a consistent source of projects for the group since the acquisition of Contexx and five residential towers in excess of AU$100 million in value are currently under construction. Activity within the retail and commercial building sectors was also healthy. The AU$220 million Highpoint shopping centre was completed and work on the Woodgrove shopping centre is progressing well. The technically challenging AU$128 million Monash University teaching and laboratory facility was also completed during the year. Having secured two $50 million projects in Sydney in FY12, Probuild achieved strong revenue growth in FY13 following the award of two further projects of approximately AU$30 million; however, losses from Panorama, a mixed use residential project, hampered profitability. In Perth the building market remained stable despite a slowdown in the mining sector which has driven growth in recent years. Revenue levels were consistent with FY12 with the QE II Medical Centre car park and the student accommodation for the WA University being the significant revenue contributors. Probuild Civil, working in Queensland, delivered revenue in line with FY12 and contributed strongly towards the group's profitability.

WBHO Civil

Declining global demand for resources has seen lower commodity prices during the year and the consequential slowdown in the Western Australian mining sector which is a main source of projects for WBHO Civil. Fewer available projects have seen an increase in competitiveness. Despite the market challenges WBHO Civil delivered a strong performance. A 15% decrease in revenue was more as a result of refocusing of certain business units following the consolidation of three different companies in the previous year. Operating profits more than doubled albeit off a relatively low base and the company was awarded its first contract in excess of AU$100 million for the civil works and earthworks at the Burrup Technical Ammonia Nitrate Facility in the Pilbara region. Work is progressing well on the recently awarded Gidji II tailings storage facility in the Goldfields region following the completion of various other successful mining projects in FY13. Increased plant capital expenditure has decreased reliance on external suppliers and improved reliability.

OTHER OPERATIONS

Property

Sales at the Simbithi Eco-Estate development in KZN remained strong, while sales at the St Francis Links development in the Eastern Cape remain beleaguered. Holding costs for the development are limited and we are able to wait for a recovery in the second home market.

Associated companies

Capital Africa Steel (CAS)

CAS's rebar and reinforcing business achieved another solid result in FY13 with revenue growth of 11%. The pipe factory increased production by approximately 10 000 tonnes which increased revenue by 67%. The factory has experienced production issues at these increased volumes which is receiving management's focused attention. These issues together with currency losses resulted in FY13 profits decreasing in comparison to FY12. Rationalisation within both the long-steel and pipe supply markets should see CAS gain further market share in these sectors in FY14. The aggregate and ready mix businesses performed well and delivered profits in the current year. The shelving and racking businesses continue to disappoint.

Gigajoule

Through Gigajoule, the group has an interest in the Matola Gas Company which sells gas in the Mozambican gas market. Gas sales have increased steadily in recent years and profits are now contributing well to the group's performance.

ORDER BOOK AND PROSPECTS

At 30 June 2013 the group's order book has grown by 15,1% over the previous year to R24 billion (2012: R20,9 billion) of which R21 billion is expected to be executed in FY14.

	2013 R'm	2013 %	2012 R'm	2012 %
Order book by segment				
Building and civil engineering	9 369	39	4 202	20
Roads and earthworks	3 817	16	4 645	22
Australia	10 806	45	12 006	58
Total	23 992	100	20 853	100
Order book by geography				
South Africa	11 899	49	6 823	33
Africa	1 287	6	2 024	9
Australia	10 806	45	12 006	58
Total	23 992	100	20 853	100

Prospects

Margins within the local building markets are improving and, as can be seen from the 123% increase in the Building and civil engineering division's order book, activity levels are high. Recent major awards include a refurbishment of the Silverstar Casino and the Eyethu Orange Farm shopping centre. Current levels of commodity prices continue to affect activity in the mining sector locally as well as in Africa and Australia. Of particular concern is the decline in mining projects in West Africa. Furthermore the suspension of the Mayoko project for Exxaro in the Congo has affected the Roads and earthworks order book. The project is anticipated to commence later in the year and WBHO remains the preferred contractor. The Roads and earthworks division has secured additional projects to the value R680 million at the time of going to press. We expect a number of opportunities to arise in the oil and gas market in Mozambique and have established a regional office in Pemba to focus on these. The road market remains competitive.

In Australia, the merger of Probuild and Contexx has created Tier One construction capabilities across all the major sectors in Melbourne. The building market in Sydney is showing signs of revival after many years of static activity. Not included in Probuild's order book are the AU$355 million Eastland shopping centre, a AU$155 million multi-story residential tower and AU$65 million offices for South East Water for which Probuild is the preferred contractor. WBHO Civil has now stabilised after last year's restructuring and the award of high profile contracts in FY13 will raise the profile of the business in FY14.

COMPETITION COMMISSION

The fast-track settlement process with the Competition Commission was finally concluded on 24 June 2013. The group received a penalty of R311 million which has been fully provided for within current and previous reporting periods. The group has one remaining transgression to settle with the Commission outside of the fast-track settlement process and no provision has yet been made in this regard. The directors regret this past behaviour and are confident that infringements of the Act within the group have, for some time, been fully eradicated. Systems and controls are now in place to prevent this practice. The industry has suffered severe reputational damage during this process and efforts are being focused on restoring credibility with all stakeholders.

HEALTH AND SAFETY, EMPOWERMENT AND ENVIRONMENTAL

This year the LTIFR has decreased to 1,35 from 1,57 in FY12. The group has taken measures to drive safety standards to new levels following the death of five subcontractor employees this year. The group also lost four of its own employees in motor vehicle accidents. Our sincere condolences go out to all the families concerned.

The group has retained a Level 2 empowerment rating which is commendable considering that the targets across all seven elements within the Construction Charter have increased.

This year the group achieved full ISO 14001:2004 accreditation in South Africa and remains committed to responsible environmental management within the organisation.

APPRECIATION

The directors and management would like to thank all stakeholders for their continuous support and loyalty.

CHANGES TO THE BOARD OF DIRECTORS

Non-executive director, Mr Malcolm McCulloch resigned from the board on 22 February 2013. We thank Mr McCulloch for his valuable contribution over 10 years of service on the board. The Nomination committee is looking for a suitable replacement candidate.

DIVIDEND DECLARATION

Notice is hereby given that the directors have declared a final gross dividend, from income reserves, of 233 cents per share (2012: 242 cents) payable to all shareholders recorded in the register on Friday, 18 October 2013.

The dividend is subject to dividend withholding tax at 15% and the net dividend will therefore be 198,05 cents per share for those shareholders who are not exempt therefrom. The company has no STC credits.

The number of shares in issue at the date of the declaration amount to 66 000 000 (55 397 676 exclusive of treasury shares). The company's tax reference number is 9999597710.

The following dates are also relevant:

Last date to trade cum dividend:	Friday, 11 October 2013
Trading ex dividend commences:	Monday, 14 October 2013
Record date:	Friday, 18 October 2013
Payment date:	Monday, 21 October 2013

Shares may not be dematerialised or rematerialised between Monday, 14 October 2013 and Friday 18 October 2013, both dates inclusive.

By order of the board

MS Wylie	EL Nel	CV Henwood
Chairman	Chief Executive Officer	Chief Financial Officer

Johannesburg
30 August 2013

www.wbho.co.za