Trend in REAL PRIME INTEREST RATE and Building plans passed
Based on 13 month moving average
1983 - 2001

SAACE January – June 2001
Percentage change in REAL PRIME INTEREST RATE
vs % change in Building plans passed
Based on 13 month moving average
1983 - 2001

SAACE January – June 2001
SAACE CONFIDENCE

According to size of company

SAACE January – June 2001
SAACE Profitability
According to size of company

SAACE January – June 2001
SAACE January – June 2001
SAACE

Employment vs Real Value of Fee income

SAACE  January – June 2001
FEE INCOME
Real percentage change

Survey period

Jun-97 Jan-98 Jun-98 Jan-99 Jun-99 Jan-00 Jun-00 Dec-00 Jun-01 Dec-01 Jun-02

PERCENTAGE

-30.00% -20.00% -10.00% 0.00% 10.00% 20.00% 30.00%

Forecast

SAACE January – June 2001
Company Profile

Employment

- <10: 4%
- 10 - 49: 28%
- 50 - 99: 13%
- 100 - 499: 20%
- >500: 35%

Number of companies

- <10: 39%
- 10 - 49: 47%
- 50 - 99: 8%
- 100 - 499: 4%
- >500: 2%

SAACE January – June 2001
# Profit Margins

<table>
<thead>
<tr>
<th>Group</th>
<th>Jun-00</th>
<th>Dec-00</th>
<th>Jun-01</th>
<th>Expected trend (Jul-Dec’01)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A &gt; 500</td>
<td>3%</td>
<td>5%</td>
<td>8%</td>
<td>74% improving, 26% static</td>
</tr>
<tr>
<td>B 100 - 499</td>
<td>1%</td>
<td>8%</td>
<td>13%</td>
<td>62% Static, 38% improving</td>
</tr>
<tr>
<td>C 50 - 99</td>
<td>7%</td>
<td>8%</td>
<td>12%</td>
<td>30% receding, 39% static, 31% improving</td>
</tr>
<tr>
<td>D 10 - 49</td>
<td>12%</td>
<td>13%</td>
<td>11%</td>
<td>50% receding, 44% static, 6% improving</td>
</tr>
<tr>
<td>E &lt; 10</td>
<td>14.2%</td>
<td>14.9%</td>
<td>18%</td>
<td>48% receding 31% static, 21% improving</td>
</tr>
</tbody>
</table>
Sub-markets

.. ./page 1 (New definition)
Sub-markets
R mill, constant prices
Top five sub-markets (Based on old definitions)

SAACE January – June 2000
Sub-markets
R mill, constant prices
Top five sub-markets

SAACE January – June 2001
Sub-markets

Market Share:
Top five sub-markets

Combined these sectors represent 75% of the market

SAACE January – June 2001
Provincial Market Share
January – June 2000
Fee income

- Gaut: 35%
- Kwazulu Natal: 12%
- North Provinces: 6%
- Northern Cape: 1%
- North West: 5%
- Western Cape: 12%
- E-Cape: 8%
- MPU: 4%
- Intl: 3%
- African: 10%
- SAACE January – June 2001
Provincial Market Share

As at Jun’01
and % Change on Jun’00

SAACE January – June 2001
Provincial Market Share: Construction
As at Jun’01

Based on contract awards: January – June 2001

Building construction
Civil construction
SAACE Fee income

% Share (bar)

SAACE January – June 2001
Income per province
R mill, constant prices

SAACE January – June 2001
Income generated in Africa and across borders
R mill, constant prices

SAACE January – June 2001
Economic Product Cycle Indicators

Net % showing improvement

Enquiries Prefeas Pre-plan Detail Adjudication Construction

Dec'96 Dec'97 Jun'98 Dec'98 Jun'99 Dec'99 Jun'00 Dec'00 Jun'01

SAACE January – June 2001
Economic Product Cycle Indicators

Summary

Work in: Enquiries, Pre-feasibility, Pre-plan
Work out: Detail plan, Adjudication, Construction

SAACE January – June 2001
% of Firms wanting to increase staff

SAACE January – June 2001
Recruitment problems

SAACE January – June 2001
Employment Breakdown
Workforce Analysis
July - December 2000

Disabled = 0,6%
Employment Breakdown
Workforce Analysis
July - December 2000

SAACE July – December 2000
Employment Breakdown
Workforce Analysis
January – June 2001

Disabled = 0.2%
Employment trends
1999 - 2001

SAACE January – June 2001
Company involvement increased by 11% to represent just over 50% of total companies.

*SAACE January – June 2001*
Total fee income outstanding as percentage of total potential fee income
By type of client

SAACE January – June 2001
Fee income outstanding for **longer than 90 days** as percentage of total potential fee income

By type of client

Survey: January – June 2001
Of the total fee income outstanding during the six months January - June 2001, 26% has been outstanding for longer than 90 days. This amounts to approximately R253 million in real terms, divided as follows between the various clients:

<table>
<thead>
<tr>
<th>Client</th>
<th>R mill 2000 prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central government</td>
<td>47</td>
</tr>
<tr>
<td>Provincial</td>
<td>29</td>
</tr>
<tr>
<td>Local</td>
<td>55</td>
</tr>
<tr>
<td>Parastatal</td>
<td>8</td>
</tr>
<tr>
<td>Private sector</td>
<td>114</td>
</tr>
</tbody>
</table>

SAACE January – June 2001
Total fee income outstanding

% by number of days outstanding

30 Days  60 Days  90 Days or more

Dec'98  Jun'99  Dec'99  Jun'00  Dec'00  Jun'01

SAACE January – June 2001
Comparison of total fees outstanding
Constant 2000 prices

R mill, Constant prices

% of total potential fee income

SAACE January – June 2001
Comparison of total fees outstanding

90 Days or more

As percentage of total potential fee income

Fee income outstanding (bar)

% of total fee income outstanding (line)

R mill, Constant prices

% of total potential fee income

SAACE January – June 2001
Comparison of total fees outstanding

90 Days or more, by type of client
As percentage of total potential fee income

SAACE January – June 2001
Payments outstanding for longer than 90 days as % of gross fee income, by type of client
January - June 2001

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>Total</th>
<th>CLIENT</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>CEN</td>
<td>PROV</td>
<td>LOC</td>
<td>PARAS</td>
<td>PRIV</td>
</tr>
<tr>
<td>&gt; 500</td>
<td>7.86</td>
<td>8.28</td>
<td><strong>9.73</strong></td>
<td>8.26</td>
<td>8.62</td>
<td>6.91</td>
</tr>
<tr>
<td>Between 100 and 499</td>
<td>5.90</td>
<td>1.11</td>
<td>2.08</td>
<td>4.97</td>
<td>1.95</td>
<td><strong>12.98</strong></td>
</tr>
<tr>
<td>Between 50 and 99</td>
<td>6.45</td>
<td>0.60</td>
<td>6.40</td>
<td>3.84</td>
<td>5.92</td>
<td><strong>10.80</strong></td>
</tr>
<tr>
<td>Between 10 and 49</td>
<td>4.65</td>
<td>3.77</td>
<td>3.62</td>
<td><strong>7.31</strong></td>
<td>5.35</td>
<td>3.92</td>
</tr>
<tr>
<td>Less than 10</td>
<td>8.34</td>
<td>0.76</td>
<td>6.05</td>
<td><strong>13.67</strong></td>
<td>0</td>
<td><strong>12.07</strong></td>
</tr>
<tr>
<td>Average</td>
<td>6.77</td>
<td>6.07</td>
<td>6.05</td>
<td>6.84</td>
<td>6.18</td>
<td>7.44</td>
</tr>
</tbody>
</table>

*SAACE January – June 2001*
Public Private Partnerships (PPP’s)

More members (50% of respondents) are reporting increasing activity in PPP’s representing 11.4% of gross income earned.

SAACE January – June 2001
PUBLIC PRIVATE PARTNERSHIPS

Company involvement by size of company

Average

SAACE January – June 2001
Escalation trends
Year-on-Year % Change

Based on headline consumer inflation (CPI)

Upward pressures likely

<table>
<thead>
<tr>
<th>Year</th>
<th>CPI</th>
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</thead>
<tbody>
<tr>
<td>1997</td>
<td>8.7</td>
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<tr>
<td>1998</td>
<td>6.9</td>
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<tr>
<td>1999</td>
<td>5.8</td>
</tr>
<tr>
<td>2000</td>
<td>5.3</td>
</tr>
<tr>
<td>2001</td>
<td>6.5</td>
</tr>
<tr>
<td>2002</td>
<td>5.5</td>
</tr>
<tr>
<td>2003</td>
<td>5</td>
</tr>
<tr>
<td>2004</td>
<td>4.8</td>
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</tbody>
</table>
# Client distribution by size of company

<table>
<thead>
<tr>
<th>Category</th>
<th>Size according to employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 500</td>
<td>More than 500 people</td>
</tr>
<tr>
<td>Between 100 and 499</td>
<td>Between 100 and 499</td>
</tr>
<tr>
<td>Between 50 and 99</td>
<td>Between 50 - 99</td>
</tr>
<tr>
<td>Between 10 and 49</td>
<td>Between 10 and 49</td>
</tr>
<tr>
<td>Less than 10</td>
<td>Less than 10 people</td>
</tr>
</tbody>
</table>
Client distribution by size of company
January - June 2000

Size categories of companies:
- A
- B
- C
- D
- E

% Share of client income:
- PRIV
- PARAST
- LOC
- PROV
- CEN

SAACE July – December 2000
Client distribution by size of company
January - June 2000

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>CEN</th>
<th>PROV</th>
<th>LOC</th>
<th>PARAS</th>
<th>PRIV</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>32.09</td>
<td>10.88</td>
<td>16.4</td>
<td>4.2</td>
<td>36.43</td>
</tr>
<tr>
<td>B</td>
<td>20.68</td>
<td>14.02</td>
<td>36.5</td>
<td>1.65</td>
<td>27.15</td>
</tr>
<tr>
<td>C</td>
<td>5.94</td>
<td>4.83</td>
<td>12.57</td>
<td>7.45</td>
<td>69.21</td>
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<tr>
<td>D</td>
<td>7.82</td>
<td>9.15</td>
<td>27.79</td>
<td>6.01</td>
<td>49.23</td>
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<tr>
<td>E</td>
<td>5.75</td>
<td>11.82</td>
<td>18.72</td>
<td>4.27</td>
<td>59.43</td>
</tr>
</tbody>
</table>
## Client distribution by size of company
### July – December 2000

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>CEN</th>
<th>PROV</th>
<th>LOC</th>
<th>PARAS</th>
<th>PRIV</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>25.8</td>
<td>9.91</td>
<td>13.39</td>
<td>3.78</td>
<td>47.12</td>
</tr>
<tr>
<td>B</td>
<td>19.84</td>
<td>20.66</td>
<td>39.76</td>
<td>1.19</td>
<td>18.56</td>
</tr>
<tr>
<td>C</td>
<td>19.26</td>
<td>5.03</td>
<td>10.54</td>
<td>3.19</td>
<td>61.98</td>
</tr>
<tr>
<td>D</td>
<td>8.95</td>
<td>17.36</td>
<td>22.88</td>
<td>0.69</td>
<td>50.13</td>
</tr>
<tr>
<td>E</td>
<td>11.44</td>
<td>8.34</td>
<td>24.20</td>
<td>11.52</td>
<td>44.50</td>
</tr>
</tbody>
</table>
Client distribution by size of company
July - December 2000

Size categories of companies

SAACE July - December 2000
### Client distribution by size of company
#### January - June 2001

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>CEN</th>
<th>PROV</th>
<th>LOC</th>
<th>PARAS</th>
<th>PRIV</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>25.27</td>
<td>12.17</td>
<td>16.57</td>
<td>3.08</td>
<td>42.90</td>
</tr>
<tr>
<td>B</td>
<td>23.74</td>
<td>24.36</td>
<td>28.37</td>
<td>1.07</td>
<td>22.47</td>
</tr>
<tr>
<td>C</td>
<td>18.25</td>
<td>10.44</td>
<td>32.50</td>
<td>0.25</td>
<td>38.56</td>
</tr>
<tr>
<td>D</td>
<td>9.26</td>
<td>10.73</td>
<td>21.38</td>
<td>4.46</td>
<td>54.18</td>
</tr>
<tr>
<td>E</td>
<td>17.44</td>
<td>17.49</td>
<td>15.19</td>
<td>3.75</td>
<td>46.12</td>
</tr>
</tbody>
</table>