REVIEWED CONSOLIDATED RESULTS

FOR FINANCIAL YEAR ENDED 31 AUGUST 2009

CONSOLIDATED INCOME STATEMENT

	Reviewed Year ended 31 August 2009 R'000	Audited Year ended 31 August 2008 R'000	*Pro forma** Reviewed Year ended 31 August 2009 R'000
Revenue	**745 323**	201 344	1 184 266
Cost of sales	**(534 353)**	(92 899)	(866 229)
Gross profit	**210 970**	108 445	318 037
Other income	**1 974**	325	5 747
Operating expenses	**(109 092)**	(25 824)	(165 187)
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	**103 852**	82 946	158 597
Depreciation	**(28 493)**	(8 252)	(41 627)
Impairment of goodwill	**(13 562)**	–	(13 562)
Profit before interest and taxation	**61 797**	74 694	103 408
Interest received	**7 420**	586	7 927
Interest paid	**(12 197)**	(7 002)	(19 838)
Profit before taxation	**57 020**	68 278	91 497
Taxation	**(19 599)**	(19 221)	(30 140)
Profit attributable to ordinary shareholders	**37 421**	49 057	61 357
Basic earnings per share (cents)	**5.24**	11.03	6.55
Diluted earnings per share (cents)	**4.88**	11.03	5.92
Fully diluted earnings per share (cents)	**4.57**	11.03	5.40
Reconciliation of headline earnings			
Profit attributable to ordinary shareholders	**37 421**	49 057	61 357
Adjusted for:			
(Profit)/Loss on disposal of property, plant and equipment	**(33)**	39	(33)
Impairment of goodwill	**13 562**	–	13 562
Headline earnings attributable to ordinary shareholders	**50 950**	49 096	74 886
Adjusted for:			
Amortisation of intangible assets	**15 512**	1 087	25 436
Tax effect of amortisation of intangible assets	**(4 343)**	(304)	(7 122)
Core headline earnings attributable to ordinary shareholders	**62 119**	49 879	93 200
Weighted average number of shares in issue ('000)	**714 067**	444 575	936 409
Diluted weighted average number of shares in issue ('000)	**766 396**	444 575	1 036 409
Fully diluted weighted average number of shares in issue ('000)	**818 724**	444 575	1 136 409
Headline earnings per share (cents)	**7.14**	11.04	8.00
Diluted headline earnings per share (cents)	**6.65**	11.04	7.23
Fully diluted headline earnings per share (cents)	**6.22**	11.04	6.59
Core headline earnings per share (cents)	**8.70**	11.22	9.95
Core diluted headline earnings per share (cents)	**8.11**	11.22	8.99
Core fully diluted headline earnings per share (cents)	**7.59**	11.22	8.20

Pro forma income statement includes results from Consolidated Power Projects (Pty) Limited for the full 12-month period.

CONSOLIDATED BALANCE SHEET

	Reviewed as at 31 August 2009 R'000	Audited as at 31 August 2008 R'000
ASSETS		
Non-current assets	**814 646**	333 850
Property, plant and equipment	**277 967**	196 735
Goodwill	**482 595**	102 423
Intangible assets	**51 055**	20 656
Deferred tax	**2 022**	–
Financial assets	**1 007**	14 036
Current assets	**725 741**	111 911
Inventories	**43 176**	38 084
Trade and other receivables	**58 055**	31 552
Amounts due from contract customers	**395 168**	–
Taxation receivable	**2 451**	–

SEGMENTAL ANALYSIS

	Reviewed 31 August 2009 R'000	**Audited 31 August 2008 R'000**	***Pro forma* Reviewed 31 August 2009 R'000**	**Reviewed 31 August 2009 R'000 % of total**	**Audited 31 August 2008 R'000 % of total**	***Pro forma* Reviewed 31 August 2009 R'000 % of total**
Revenue						
Heavy building materials	162 512	201 344	162 512	22	100	14
West End Claybrick	63 322	97 137	63 322	8	48	5
Drift Supersand	99 190	104 207	99 190	14	52	9
Power	582 811	–	1 021 754	78	–	86
Corporate	–	–	–	–	–	–
	745 323	**201 344**	**1 184 266**	**100**	**100**	**100**

	Reviewed 31 August 2009 R'000	**Audited 31 August 2008 R'000**	***Pro forma* 31 August 2009 R'000**	**Reviewed 31 August 2009 R'000 % of total**	**Audited 31 August 2008 R'000 % of total**	***Pro forma* 31 August 2009 R'000 % of total**
EBITDA						
Heavy building materials	34 516	87 383	34 516	33	105	22
West End Claybrick	2 163	51 594	2 163	2	62	1
Drift Supersand	32 353	35 789	32 353	31	43	21
Power	73 725	–	128 470	71	–	81
Corporate	(4 389)	(4 437)	(4 389)	(4)	(5)	(3)
	103 852	**82 946**	**158 597**	**100**	**100**	**100**

	Reviewed 31 August 2009 R'000	**Audited 31 August 2008 R'000**
Net asset value		
Heavy building materials	196 301	220 860
West End Claybrick	146 284	182 687
Drift Supersand	50 017	38 173
Power	540 121	–
Corporate	26 447	45 504
	762 869	**266 364**

COMMENTARY

Introduction

We are pleased to report on the successful acquisition, implementation and integration of Consolidated Power Projects (Pty) Limited ("Conco"). With this substantial Acquisition, Buildworks becomes the largest turnkey developer of electrical sub-stations in sub-Saharan Africa. On an annualised basis over 86% of all Buildworks' revenue and 81% of Buildworks' earnings before interest, taxation, depreciation and amortisation (EBITDA) are now directly attributable to the power and electrification sector.

The acquisition of Conco allowed Buildworks to deliver satisfactory results for the year ended 31 August 2009 in extremely tough economic conditions. It is the view of the board of directors that the *pro forma* core headline earnings and the fully diluted core headline earnings per share provide a meaningful understanding of the results for the period. *Pro forma* core headline earnings for the year ended 31 August 2009 were R93.2 million which is an increase of 87% over the previous year.

Using the *pro forma* core headline earnings and fully diluting the earnings for the additional equity to be issued in terms of the Conco earn out, *pro forma* fully diluted core headline earnings per share are 8.20 cents, a decline of 27% over the previous year.

Headline earnings per share are 7.14 cents and basic earnings per share are 5.24 cents, which is a decline of 35% and 52%, respectively, over the previous year. The decline in headline earnings per share is due to the amortisation charge raised against the intangible assets, increased number of shares in issue and the underperformance of West End Claybrick ("West End") in our Building Materials division.

to growth remain a funding capacity for projects and shortage of skills to execute the projects.

To deliver growth in Conco the skills base will be strengthened by investing in additional senior management capacity, business development and project execution skills. This is an investment which may cost in the short term but is expected to yield long-term sustainable growth. The Conco order book continues to sustain its level at R1.2 billion and we are hopeful that as capital markets ease funding for utilities, municipalities, mines and industries will expand at a significant rate.

The Building Materials division should benefit from higher levels of business and consumer confidence, as well as the lower interest rate environment. We do not anticipate a significant improvement in trading conditions for the year ahead. The division is currently operating a tightly controlled expense base and we are hopeful that expansion in sales and distribution capacity will increase our market share. It is anticipated that the *2010 FIFA World Cup* will have a negative impact on trading during the event.

It appears after the first two months of trading at West End that a slight improvement is being felt. It is our assessment that this improvement is a function of the effectiveness of the sales force. Roof-tile sales are now consistently exceeding single shift production. The goal set for the year ending 31 August 2010 is to achieve a small profit.

The significant expansion of the roads is expected to continue for the remainder of the financial year and should offer a buffer against the weak residential consumer market. At Drift the revenues for the first two months of the year ending 31 August 2010 has exceeded our expectations.

Current assets	**725 741**	111 911
Inventories	**43 176**	38 084
Trade and other receivables	**58 055**	31 552
Amounts due from contract customers	**395 168**	–
Taxation receivable	**2 451**	–
Cash and cash equivalents	**226 891**	42 275
Total assets	**1 540 387**	445 761
EQUITY AND LIABILITIES		
Equity	**762 869**	266 364
Issued capital	**9**	5
Share premium	**536 382**	217 302
Shares to be issued	**140 000**	–
Accumulated profit	**86 478**	49 057
Non-current liabilities	**153 413**	109 191
Other financial liabilities	**38 941**	46 212
Environmental obligation	**8 084**	8 792
Instalment sale agreements	**78 970**	42 770
Deferred tax	**27 418**	11 417
Current liabilities	**624 105**	70 206
Other financial liabilities	**60 879**	13 708
Trade and other payables	**187 091**	22 176
Amounts received in advance	**49 693**	–
Amounts due to contract customers	**242 908**	–
Bank overdraft	**6 920**	–
Instalment sale agreements	**24 329**	11 892
Taxation payable	**52 285**	22 430
Total equity and liabilities	**1 540 387**	445 761
Number of shares in issue ('000)	**936 409**	470 000
Net asset value per share (cents)	**81.47**	56.67
Net tangible asset value per share (cents)	**24.48**	30.49

ABRIDGED REVIEWED CONSOLIDATED CASH FLOW STATEMENT

	Reviewed Year ended 31 August 2009 R'000	Audited Year ended 31 August 2008 R'000
Cash flows from operating activities	**153 070**	39 533
Cash flows from investing activities	**(220 026)**	(24 554)
Cash flows from financing activities	**244 652**	27 296
Net increase in cash and cash equivalents	**177 696**	42 275
Cash and cash equivalents at beginning of year	**42 275**	–
Cash and cash equivalents at end of year	**219 971**	42 275

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited Year ended 31 August 2009 R'000	Audited Year ended 31 August 2008 R'000
Balance at beginning of year	**266 364**	–
Acquisition of businesses	**–**	90 626
Rights offer	**–**	80 000
Issue of share capital and share issue expenses	**319 084**	46 681
Shares to be issued	**140 000**	–
Net profit for the year	**37 421**	49 057
Balance at end of year	**762 869**	266 364

Buildworks Group Limited

(Incorporated in the Republic of South Africa)
(Registration number 2007/004935/06)
Share code: BWK ISIN: ZAE000110219
("Buildworks" or "the group" or "the company")

Non-executive directors
H S P Mashaba *(Chairman)*, N C Machingawuta, A D Dixon#, P Voutyritsas*, N Mintah**, A Geisser**

Executive directors
R D Gamsu, I M Klitzner, B Berelowitz

*# Independent *Greek **American*

Business address: 6A Sandown Valley Crescent, Sandown, Sandton

Business postal address: PO Box 651455, Benmore, Johannesburg, 2010

Company secretary: Sandra Saunders, BA LLB (WITS), DIP CORP GOV (RAU)

Telephone: 011 722 7430

Facsimile: 011 722 7431

Transfer secretaries: Computershare Investor Services (Pty) Limited

Designated Advisor: Java Capital (Proprietary) Limited

Visit our website: *www.buildworksgroup.co.za*

Headline earnings per share are 7.14 cents and basic earnings per share are 5.24 cents, which is a decline of 35% and 52%, respectively, over the previous year. The decline in headline earnings per share is due to the amortisation charge raised against the intangible assets, increased number of shares in issue and the underperformance of West End Claybrick ("West End") in our Building Materials division.

Trading profits reflect an excellent contribution from Conco who performed exceptionally well. The Building Materials division recorded lower trading profits despite a solid, steady performance at Drift Supersand ("Drift") and an operating loss at West End.

Cash generated by operations remained strong at R190 million as working capital management improved across the group, and remains an area of critical focus in an environment of heightened debtor delinquencies.

Financial overview

Revenue grew 270% to R745 million (2008: R201 million). This is as a result of the acquisition of Conco.

The trading margin was down at 28.3% (2008: 53.9%), predominantly due to the lower margins of Conco and a decline in the gross profit margin at West End.

Our balance sheet remains strong and is appropriately capitalised. Total debt, excluding a vendor liability of R50 million, increased to R153 million (2008: R115 million) driven by the completion of the fully automated roof-tile plant. Overall the group's debt-to-equity ratio declined to 26% which is a significant improvement on the 43% in the previous year. Interest cover as measured against EBITDA was 22 times (2008: 12 times). This reflects adequate borrowing capacity. Net finance charges decreased 32% to R4.8 million due to the interest earned on the substantial cash on hand. This offset the effect of higher borrowings which were incurred as a result of the construction of the roof-tile plant.

The year-end cash position was R220 million (2008: R42 million). The increase on cash on hand is a result of stringent working capital management and the cash acquired as part of the Conco acquisition.

Positive goodwill of R93.3 million arose on the acquisition of West End. The subsequent deterioration in trading conditions in the residential and commercial building sectors resulted in an impairment of goodwill of R13 million being written off in the current year.

Divisional overview

Conco

The division had a good year. Revenue was R1.021 billion on a *pro forma* basis. EBITDA rose to R128 million on a *pro forma* basis. The conditions were volatile during the year as major utilities, municipalities and mines re-evaluated their priorities and their order placement. Conco has over the last five years experienced 35% growth in its order book. This growth rate has tapered off as worsening global economic conditions set in.

Businesses focused on improving working capital management, which resulted in a significant improvement in cash-generation. Capital expenditure was strictly controlled. However, Conco continued to recruit highly skilled personnel to assist with project execution.

Looking ahead, gradual improvements in trading conditions are expected as capital markets start to ease. It is evident from the number of enquiries that substantial demand exists for our product and services but the execution of new orders is restrained by our clients' access to capital.

Conco managed to maintain its forward order book at R1.2 billion. This represents approximately 1 year's work. Embedded in the order book is a slightly lower margin. This is a function of our upfront pricing, geographic mix and project mix.

Building Materials

The division had a tough year. Revenue of R162 million represented a decline of 19% over the previous year. EBITDA was R34.5 million declined by 60% from the previous year.

Rigorous working capital management and early action to reduce asset levels in line with lower sales had a positive impact on accounts receivables but we were unable to significantly reduce the stockholding of finished goods as market demand reduced at a similar rate to production.

West End delivered an operating loss for the second half of the year ended 31 August 2009 after a breakeven performance in the first six months. This was a function of extremely weak market conditions and the introduction of the fully automated roof-tile plant in May 2009. The expected lift in volumes in the second half failed to materialise and pricing remained weak. Actions taken to expand the sales footprint failed to deliver any short-term benefits.

Drift also experienced a significant decline in residential and commercial sectors and the actions taken to replace the volumes in the roads sector went some way to cushion the blow. Volumes were down 13% but our overall revenue was only down by 5%. The decline was mitigated to some extent at the business level with tight cost controls and productivity improvements. The net effect of the actions at Drift resulted in an EBITDA reduction of 9.6% from the previous year.

Prospects

The challenging economic conditions created by the fallout from the global financial crisis appear to be abating. However, the speed of recovery remains uncertain. Our balance sheet remains strong, our gearing remains conservative and we have the capacity to seek out further strategic opportunities.

The benefits of improved cash flow generation and a lower interest rate environment are expected to lower finance charges going forward.

The group's strategic positioning in the provision of infrastructure to the African Power Market, with the majority of the clients being South African or African utilities, provides a fairly robust buffer against the volatility of the market place. The imbalance of substantially higher demand levels for power generation and transmission against the current supply will remain for decades but the constraints

is to achieve a small profit.

The significant expansion of the roads is expected to continue for the remainder of the financial year and should offer a buffer against the weak residential consumer market. At Drift the revenues for the first two months of the year ending 31 August 2010 has exceeded our expectations.

Migration to the JSE Main Board

Buildworks intended to migrate to the JSE Main Board during May 2009. It is still the intention to effect this migration by the end of the first quarter of 2010.

ACQUISITIONS

Effective 18 February 2009, Buildworks acquired 100% of the share capital of Conco for a total investment of R497.5 million. Assets of R600 million and liabilities of R492 million were acquired which resulted in a positive differential to intangibles of R388 million. The transaction was funded through the initial issue of 150 million Buildworks shares to the vendors of Conco and a cash payment of R202.5 million. The balance of the purchase price will be settled in terms of the acquisition agreement during April 2010 once the final warranted profits have been calculated.

The allocation between goodwill and identifiable intangible assets as a result of the excess of the cost of the acquisition over the fair value of the net tangible assets acquired has been valued in terms of IFRS 3 (2004) in the year-end financial statements.

As a result of the acquisition of Conco, the group has changed the breakdown in segments on which it reports, in order to reflect the change in the group.

Fair value of assets and liabilities acquired:

	R'000
Property, plant and equipment	14 817
Inventories	46 281
Intangible assets	45 911
Trade and other receivables	444 533
Cash	48 621
Deferred tax liability	(20 298)
Trade and other payables	(432 519)
Tax liability	(32 867)
Borrowings	(5 972)
Net tangible assets and liabilities	108 507
Goodwill	388 993
	497 500

REVIEW OPINION

These consolidated annual financial results have been reviewed by PKF (JHB) Inc. Their unqualified review opinion is available for inspection at the company's registered address.

DIVIDEND POLICY

The dividend policy will be reviewed periodically taking into account prevailing circumstances and future cash requirements. At present, all earnings generated by the company will be utilised to fund future growth.

Accordingly, no dividend has been recommended for the year.

BASIS OF PREPARATION

These consolidated annual results have been prepared in accordance with International Financial Reporting Standards ("IFRS") specifically IAS 34 (Interim Financial Reporting). The accounting policies applied in preparing these results are consistent with those applied in the prior year-end, and comply with the South African Companies Act (1973), as amended. This announcement has been prepared in accordance with the Listings Requirements of the JSE Limited.

Pro forma income statement

The *pro forma* income statement to 31 August 2009 was prepared on the basis that the acquisition of Conco had been effective 1 September 2008.

The *pro forma* income statement has been prepared in an effort to provide a meaningful basis of comparison for users of the group's financial information and is the responsibility of the directors of Buildworks. By its nature, the *pro forma* income statement may not fairly reflect the financial results of the group after the acquisition of Conco.

An unqualified review opinion was issued on the *pro forma* income statement by the group's auditors and is available for inspection at the company's registered office.

APPRECIATION

The directors and management of Buildworks wish to thank all staff for their focused efforts and loyalty over these challenging times. We also thank our customers, business partners, advisors, suppliers and our shareholders for their ongoing support and faith in the group.

By order of the board

Herman Mashaba
Chairman

Raoul Gamsu
CEO

17 November 2009