

RAUBEX GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2006/023666/06)

JSE Share code: RBX

ISIN: ZAE000093183

("Raubex" or "the Company")

TRADING STATEMENT IN RESPECT OF THE YEAR ENDING 28 FEBRUARY 2019

In terms of paragraph 3.4(b) of the JSE Limited Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied that, with a reasonable degree of certainty, the financial results for the current reporting period will differ by at least 20% from the financial results of the previous corresponding period.

Shareholders are advised that Raubex expects its earnings per share and headline earnings per share for the year ending 28 February 2019 to be at least 20% lower than the earnings per share and headline earnings per share from the previous corresponding period. This translates to earnings per share and headline earnings per share being at least 46,7 cents and 45,7 cents lower than the earnings per share and headline earnings per share of 233,5 cents and 228,6 cents achieved in the previous corresponding period respectively.

The Company has continued experiencing weak trading conditions in the South African construction industry during the second half of the financial year, particularly in the road construction sector. This has negatively impacted Raubex subsidiaries both in the road construction operations and in the road rehabilitation and maintenance operations, which includes the supply of asphalt and bitumen to the market. As reported in the interim results released on 29 October 2018, the Company went through a process of rightsizing the affected subsidiaries during the first half of the financial year. Rightsizing initiatives continued during the second half of the financial year to further reduce capacity in line with the current low level of demand being experienced.

The materials division, which contributed 54,5% of the Company's total operating profit in the previous corresponding period, has experienced stable operating conditions during the current financial year and its diversified operations including material handling services to the mining sector and commercial aggregate supply, have continued to support the Company's earnings.

The infrastructure division has experienced favourable conditions in the affordable housing sector throughout the financial year. The division is also well positioned to benefit from the roll out of work related to the Renewable Energy Independent Power Producer Procurement Programme ("REIPPPP") in which a number of contracts are being negotiated. Three REIPPPP contracts to the total value of R621 million have been secured during the year and work commenced on these projects during the second half of the financial year.

Notwithstanding the challenging conditions being faced by the South African construction industry, the Company has maintained a strong balance sheet throughout the year and is well positioned to participate in any future opportunities in the sector should conditions begin to improve.

In terms of paragraph 3.4(b)(iii)(3) of the JSE Limited Listings Requirements, once more certainty is obtained, the Company will provide further guidance.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors.

Centurion
12 February 2019

Sponsor
Investec Bank Limited