

# M&R sells Construction Products Africa

Construction group- Murray & Roberts (M&R) has sold its Construction Products Africa operating platform (excluding Hall Longmore), comprising the group's manufacturing businesses.



The sale of the group of businesses - that include Much Asphalt, Rocla, Technicrete and Ocon Brick - will generate about R1.325bn for the company before transaction costs.

M&R says negotiations for the sale of the Hall Longmore are underway and shareholders will be advised of progress in due course.

Henry Laas, group chief executive, said: "We are very pleased with the value we achieved from the sale of Construction Products Africa."

"There was limited strategic fit between these businesses and M & R's future growth in engineering and construction," Laas said.

"Divesting from the manufacturing businesses allows the company to reduce debt (excluding certain asset-based finance) on its South African balance sheet and invest in those markets and regions that present the best long-term financial growth potential to shareholders," he added.

Much Asphalt was sold to a consortium comprising Capitalworks and certain senior management and executives of the company

The Ocon Brick, Technicrete and Rocla businesses were sold to a consortium comprising of Capitalworks, RMB Ventures, senior management and executives of the businesses.

These sales follow the successful conclusion of the sale of M&R's steel business in 2012 and Union Carriage & Wagon (UCW) earlier this year. As part of those sales, some money has already been received.

"The successful conclusion of these sales will support the group in working towards its vision of becoming the leading

diversified engineering and construction group in the global underground mining market and in the natural resources and infrastructure sectors in selected emerging markets by 2020," Laas concluded.

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