

ARB

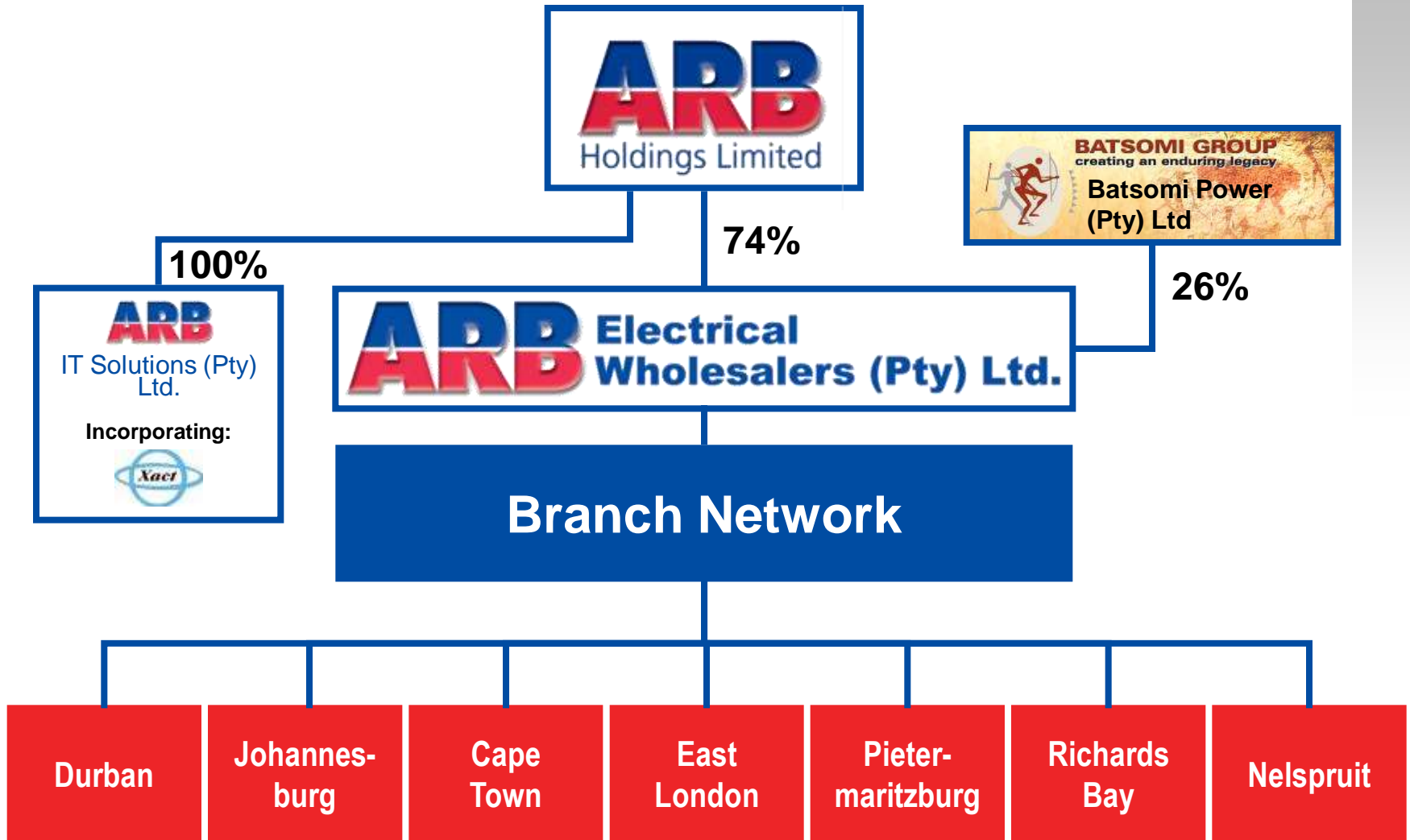
Holdings Limited



**JSE Showcase
21 May 2008**

- **Listed on JSE Main Board 20 Nov 2007**
 - **“Electronic & Electrical Equipment” sector**
- **Market capitalisation ± R 900 million**
- **Free float 30%; management 70%**
- **Fastest growing black- empowered electrical wholesaler in Southern Africa**
- **Batsomi Power (Pty) Ltd acquired 26% in Nov 2005**
 - **Black positions held:**
 - >33% of directors
 - >25% of executive management
 - >75% of staff
- **Trading at forward PE of 8.2 to June 2008**

Group Structure



Operations



ARB
Holdings Limited

Nature of Business

South Africa's fastest growing black-empowered electrical wholesaler

Supplies locally manufactured power cables, overhead line transmission and general electrical contracting materials

Stocks and distributes essential materials for electrification in construction and mining industries

ARB Products



A complete range of power and instrumentation cables

Aluminium overhead line conductors and aerial bundled conductors



Overhead line hardware, insulators and transformers (including mini-sub)

General electrical contracting materials



Some Major Customers

Large & Heavy Industry



Richards Bay
Minerals

Parastatals



Some Major Customers

Construction Industry



Electrical Contractors

SIEMENS



RACEC Group
Excellence in Engineering Infrastructure



Geographic Footprint



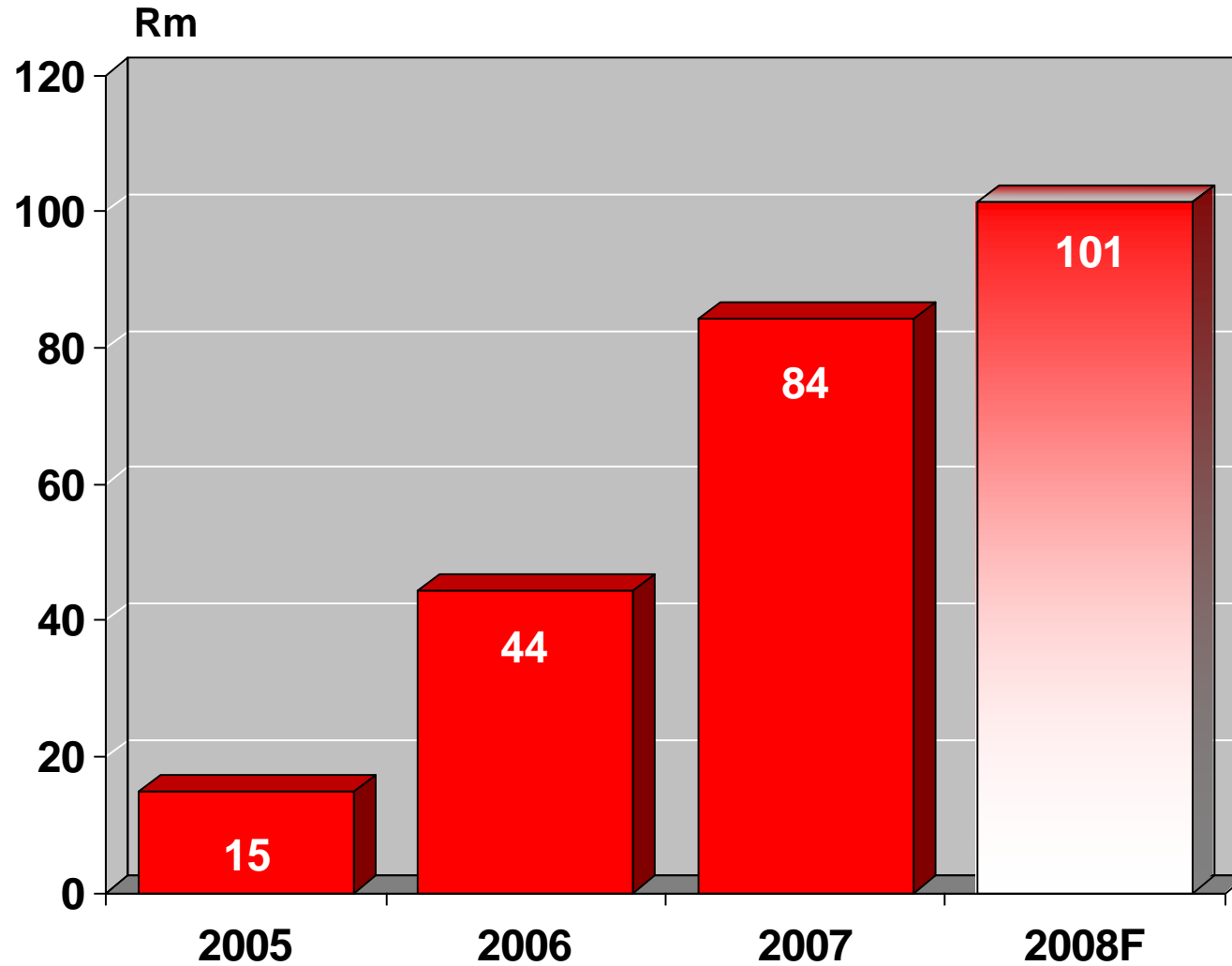
Financial Overview

R'000	Reviewed 2005	Audited 2006	Audited 2007	Pro Forma 2007	Forecast 2008
Gross revenue	417,916	607,955	1,047,642	1,047,642	1,315,000
Cost of sales	-336,334	-472,973	-808,871	-808,871	-1,070,000
Gross profit	81,582	134,982	238,771	238,771	
GP%	20%	22%	23%	23%	
Other operating income	41	5,209	25,805	25,805	25,805
Operating expenses	-38,661	-54,409	-71,492	-71,492	-71,492
Operating profit	42,962	85,782	193,084	193,084	193,084
OP%	10%	14%	18%	18%	
Net interest (paid)/received		-4,540	-6,700	-12,179	
Profit before tax		38,422	79,082	180,905	
Tax		-14,872	-23,384	-53,275	
Profit after tax		23,550	55,698	127,630	
Minority interest		-8,713	-8,218	-26,027	
Profit attributable to ordinary shareholders		14,837	47,480	101,603	
Headline earnings adjustments (after-tax)				-3,160	-17,000
Headline earnings attributable to ordinary shareholders		14,837	44,320	98,443	

Abridged Income Statement

30 June R'000	Audited 2006	Audited 2007	Forecast 2008	Interim Dec 2007
Gross revenue	607,955	1,047,642	1,315,293	596,388
Gross income	134,982	238,771	282,406	126,131
<i>GP%</i>	22%	23%	21%	21%
Operating profit	85,781	193,084	195,587	90,301
<i>OP%</i>	14%	18%	15%	15%
Profit before tax	79,082	180,905	191,366	87,544
Profit after tax	55,696	127,630	133,837	58,876
Profit attributable to ordinary shareholders	47,478	101,603	101,440	45,119
Headline earnings attributable to ordinary shareholders	44,318	84,193	101,440	45,119
Pro forma weighted average number of shares in issue ('000)	200,000	200,000	221,235	207,989
HEPS (cents)	22.2	42.1	45.9	21.7

Headline Earnings



Abridged Balance Sheet

30 June R'000	Audited 2006	Audited 2007	Interim Dec 2007
ASSETS			
Non-current assets	39,239	79,684	84,177
Current assets	280,136	409,376	430,979
TOTAL ASSETS	319,375	489,060	515,156
EQUITY AND LIABILITIES			
Equity and reserves	91,364	218,993	391,614
Non-current liabilities	38,814	48,650	15,433
Current liabilities	189,197	221,417	108,109
TOTAL LIABILITIES	319,375	489,060	515,156
Pro forma number of shares in issue ('000)	200,000	200,000	235,000
Net asset value per share (cents)	41.9	92.7	146.9
Net tangible asset value per share (cents)	41.9	92.7	146.9

Dividend Policy

Single annual dividend

**Forecast dividend yield of +/- 12% at
current PE**

**Up to a maximum of 33% x NPAT
(taking into account distributable reserves
and cash available for distribution)**

Prospects



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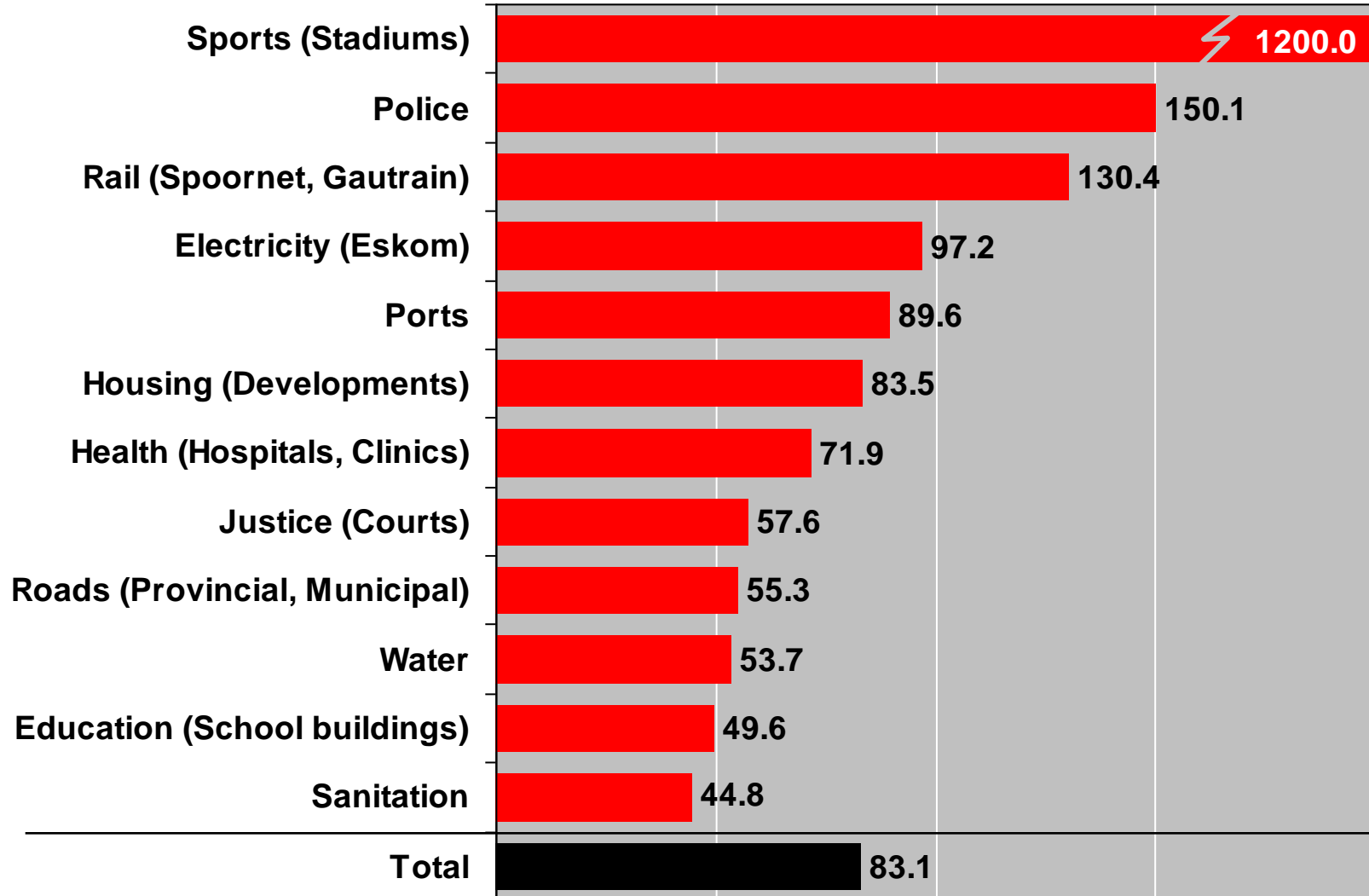
Prospects

Industry

- **In 2005 President Thabo Mbeki committed to “bring electricity to all” by 2012**
- **Eskom to spend R1 trillion over the next 20 years**
 - **R250 billion over 5 years**
- **DME to spend R1 billion in 2008/09 for connectivity in schools, clinics and low cost housing**
- **Government committed to an investment in infrastructure of R410 billion**

Planned Government Spending

% Increase past 3 years vs. next 3 years



Prospects

ARB

- **Continue penetrating mining industry**
- new focus for the group (new Nelspruit branch)
- **Expand into sub-Saharan Africa**
(new mines in the pipeline in Zambia, Angola, the DRC, Mozambique, Madagascar and Botswana)
- **Expand national branch network organically and through acquisition**
- **Expand into new strategically aligned businesses**

Value proposition

28 year track record of growth

**Unprecedented growth opportunities
for target sectors**

**Strong, dynamic and experienced
management team – owner managed**

Strong BEE credentials in place

Q&A



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