



EQSTRA Holdings Limited

Group Overview

Eqstra is an integrated capital equipment provider and leasing company with value-added services in Construction and Mining, Passenger and Commercial Vehicles, and Industrial Equipment in South Africa, Africa and the UK

Investment Case

<p>Favorable Trading Environment</p>	<ul style="list-style-type: none"> •Market leader in opencast hard rock contract mining and plant hire, leasing and fleet management and industrial equipment •Terex construction and mining and New Holland Construction equipment have secured 8.9% market share of the market their products compete in •Sector offers significant growth potential given global demand for commodities and regional infrastructure expenditure •Higher inflation, interest rates and weakening currency increases the corporate market's desire to lease rather than own vehicles 	<p>Attractive Economics</p>
<p>Strong Financial Position</p>	<ul style="list-style-type: none"> •Historic strong top line (revenue) growth •Fast growing business delivering high margins •R8 billion of committed funding in place •Majority of contracts linked to prime rate of interest •Non volatile business model, not exposed to consumer market •Hedge against inflationary pressure •Forward order book of >2X 2008 revenue 	<p>Strong Growth and Margins</p>
<p>Brands</p>	<ul style="list-style-type: none"> •Established and leading local brands •Strong international brands 	<p>Well Established Brands</p>
<p>Capacity</p>	<ul style="list-style-type: none"> •International and Sub-Saharan Africa expansion •Exportable and scalable model •Highly cash generative •Low working capital 	<p>Strong Organic Growth Potential</p>
<p>Geographical Footprint</p>	<ul style="list-style-type: none"> •Exposure to high growth markets in SA and Africa driven by mining and construction expenditure •Existing presence in Africa and the UK 	<p>Exposure to High Growth Markets</p>
<p>Management</p>	<ul style="list-style-type: none"> •Experienced management with a proven track record •Stable and entrepreneurial team 	<p>Solid Track Record</p>

Asset Clusters



100%

CONSTRUCTION
AND MINING



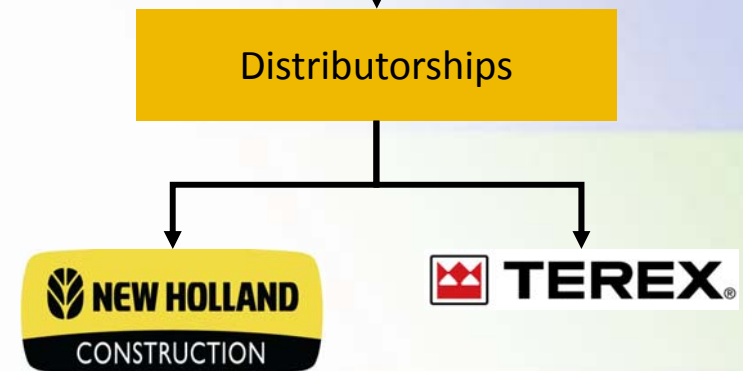
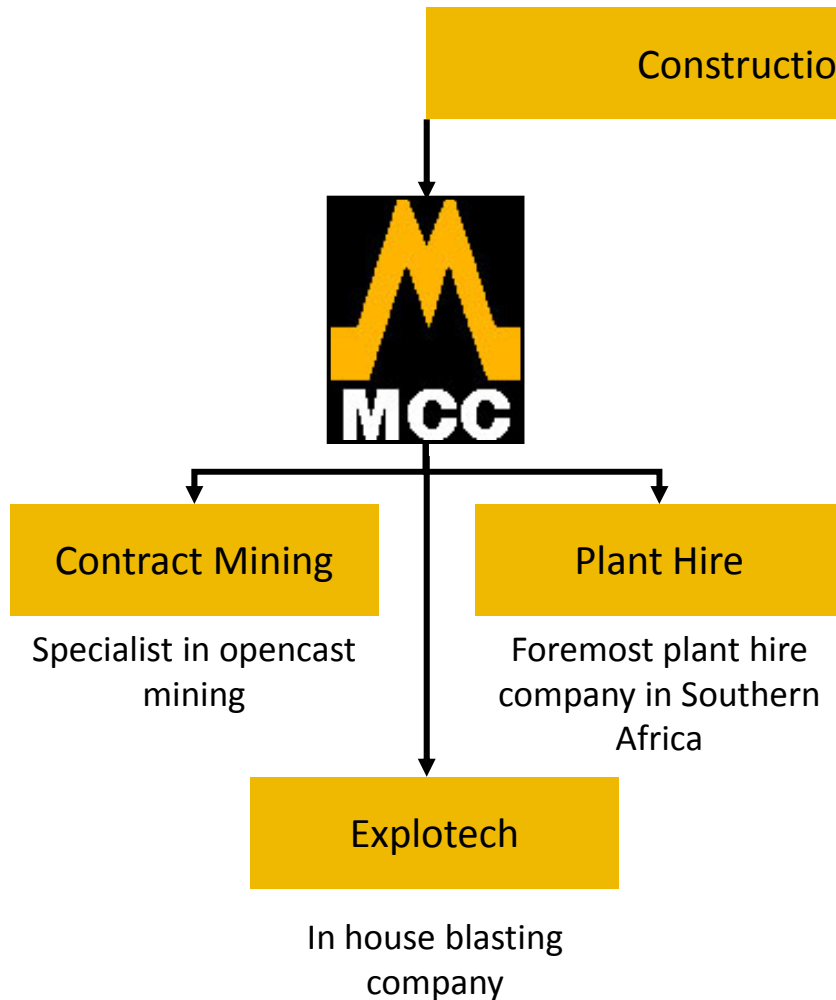
PASSENGER AND
COMMERCIAL VEHICLES



INDUSTRIAL
EQUIPMENT



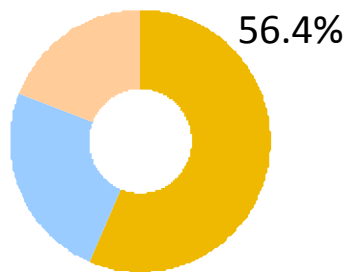
Business Structure



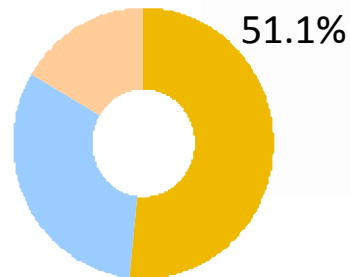
Construction and Mining | *financials*

Rm	2008	2007	% change
Revenue	4,256	1,895	+124.6
Operating profit	649	347	+87.0
Operating margin (%)	15.2	18.3	
Net finance cost	201	52	+286.5
Operating assets	4,765	2,501	+90.5
Leasing assets	2,523	1,391	+81.4
Fleet size	989	707	+39.9
Employees	4,215	2,871	+46.8

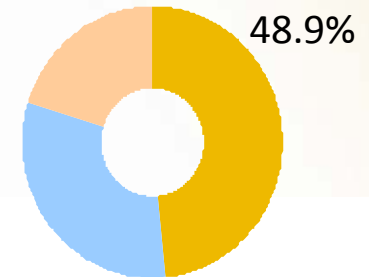
Revenue Contribution



Operating Profit Contribution



% of Total Assets



Construction and Mining | *value chain*



Distribute	Lease or rent	Value-add	Sell asset
<ul style="list-style-type: none">• Terex construction and mining and New Holland Construction Equipment• Carraro axles and final drives	<ul style="list-style-type: none">• Largest opencast hard rock contract miner in Southern Africa• Largest heavy plant hire company is SA• Considerable vertical integration and leasing opportunities available	<ul style="list-style-type: none">• Project planning, surface blasting, ore recovery and rehabilitation• Significant maintenance expertise and infrastructure• After sales, finance and insurance facilitation	<ul style="list-style-type: none">• Internationally tradable machinery• Refurbishing asset for a “second life” after initial contract period

Industry positioning

Eqstra's asset clusters are organised around a common value added chain of distribution, leasing and renting, value added solutions and re-marketing

Construction and Mining

- Largest opencast hard rock mining contractor in Southern Africa
 - High barriers to entry
 - Specialised
- Largest heavy plant hire company in South Africa
 - Nationwide facilities
- Terex and New Holland achieved a combined market share of 8.9%
 - Good vertical integration opportunities



Competitive landscape

Division	Market information	Major customers	Competitors
Construction and Mining			
Contract Mining	<ul style="list-style-type: none"> • Largest opencast hard rock contract miner in SA • MCC does not take any operational mining risk, this remains with the mining company 	Aquarius Platinum, Lonmin, Eland Platinum, Zimbabwe Platinum, Associated Manganese, Norilsk, Uramin	Sentula, Moolmans
Plant Hire	<ul style="list-style-type: none"> • Largest heavy plant hire provider in SA • Benefiting from infrastructure construction projects 	Roschcon, Concor, Wilson Bailey Homes (WBHO), Stefanutti & Bressan	Basil Read, Diesel Power, Aqua Plant, Al's plant Hire, Morado Plant Hire, CAT Rental Store, Teichmann, Alpha Plant Hire
Distributorships	<ul style="list-style-type: none"> • Achieved a combined market share of 8.9% • Comprehensive range with minimal overlap 	Anglo Platinum, AngloGold Ashanti, Anglo Coal, De Beers, Moolmans, MCC, Basil Read, Diesel Power, Group Five, Sasol, Anglo V3, Marlborough Crane Hire	Caterpillar, Komatsu, Hitachi Bell, Liebherr, Volvo, Hyundai

Distribution network and channels

	Contract Mining and Plant Hire	Construction and Mining Equipment Distribution
Angola		X (A)
Botswana	X	X
Kenya		X (A)
Lesotho	X	X
Mozambique	X	
Namibia	X	X (A)
South Africa	X	X
Swaziland	X	X
Tanzania		X
Zambia	X	X (A)
Zimbabwe	X	

(A) Agencies

Growth plans and new initiatives

Future growth will be achieved through a combination of organic growth, selective acquisitions, diversification of asset classes and value added services in South Africa, Africa and abroad while maintaining a health balance sheet and cost efficiency

Construction and Mining

- Actively diversifying into other hard rock mining (uranium, nickel, chrome and iron ore)
- Contract Mining focus on SA, Namibia and Zimbabwe
- Plant Hire to focus on benefiting from infrastructure investment in power generation, rail, national roads and various mining projects throughout the region
- Terex and New Holland construction to sustain growth and capture market share through hands-on approach with customers. Develop the agencies that have been appointed in various African countries

Products and Services

Contract Mining

- Industry leader in opencast mining of chrome, platinum, gold and base metals
- Iron ore and coal mining
- Bulk Earthworks
- Feasibility Costing
- Planning and Design
- Topsoil Stripping
- Drilling
- Explosive technology and blasting
- Overburden and Hard Waste removal
- Ore mining
- Crushing
- Materials Handling
- Ground Rehabilitation

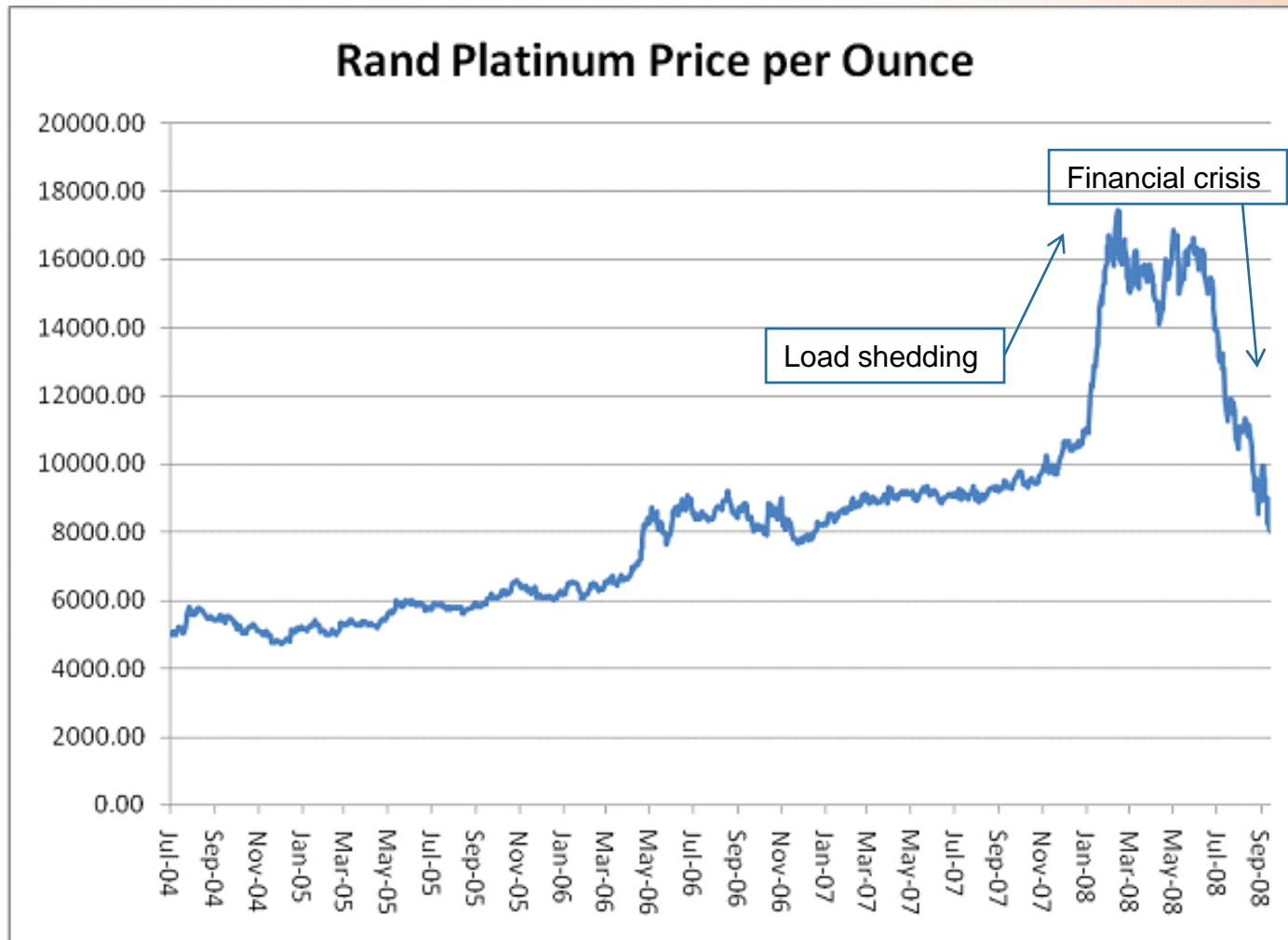
Plant Hire

- Construction
- Materials Handling
- Mining
- Processing
- Outsourcing

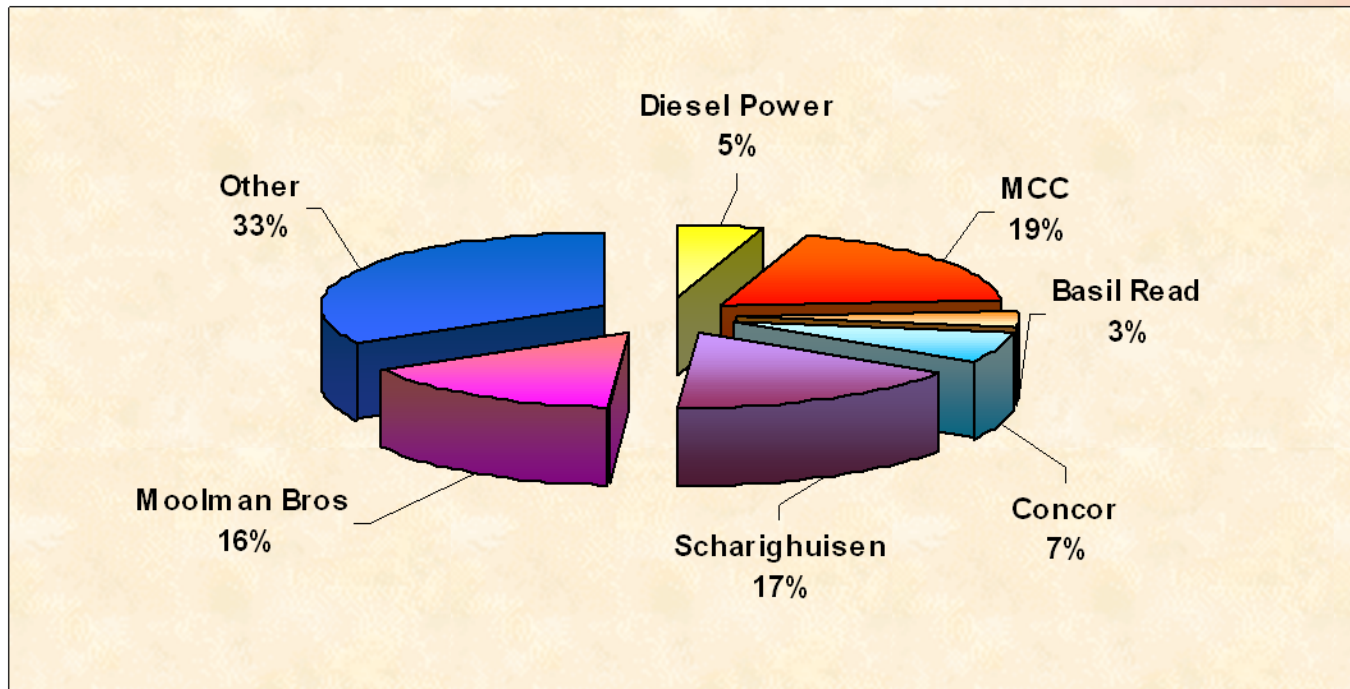
C & M Distributorships

- Finance & Insurance
- FML + Operating Lease + Rental
- Fleet Management
- Competitive Manufacturers Warranty
- Extended Warranty & Service Plan
- Reman Programme
- M & R Contracts
- Used Programme

MCC Contracts | *platinum price*



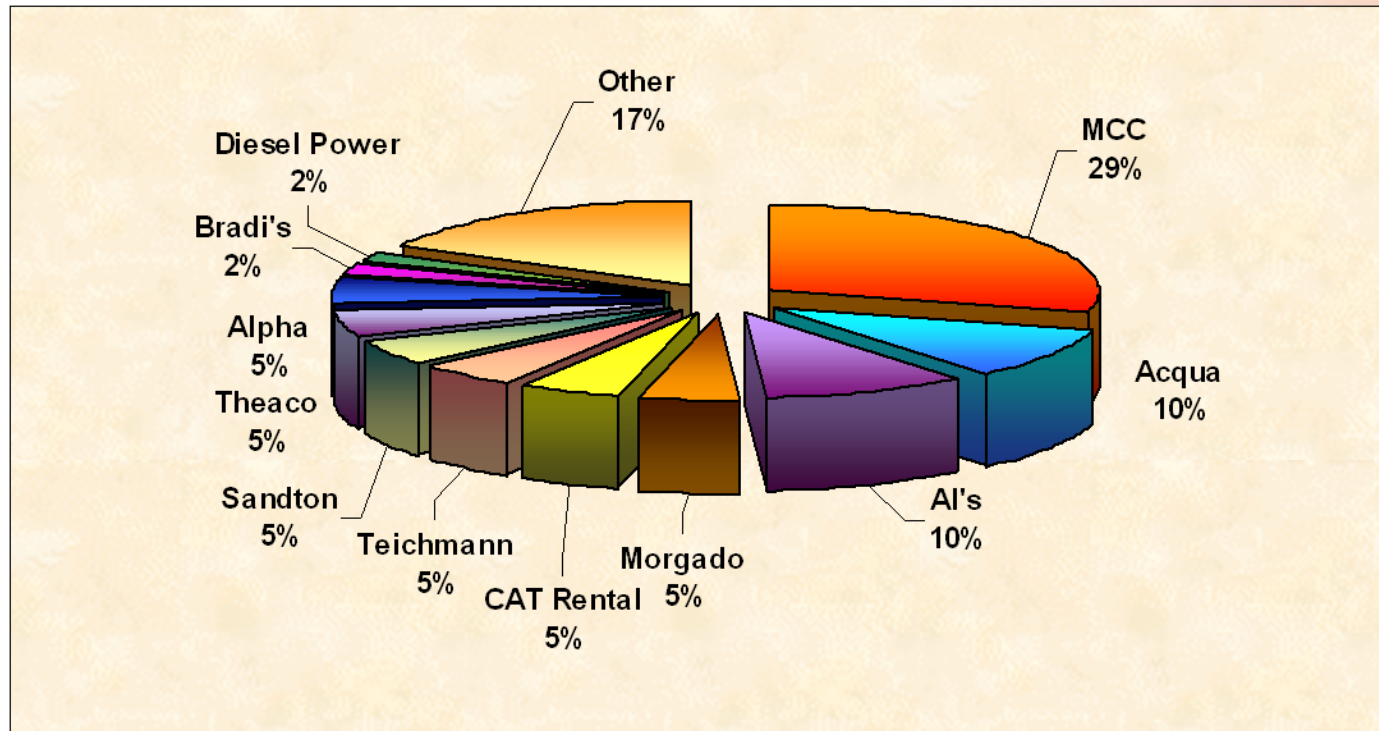
MCC Contracts | *market share*



MCC Contracts | *Fleet Breakdown*

Manufacturer	Units	% of Total Units
Caterpillar	165	33.3
Terex	119	24.0
Volvo	62	12.5
Liebherr	61	12.3
Bell	18	3.6
Western Star	15	3.0
Komatsu	13	2.6
Other	43	8.7
Total	496	100

MCC Plant Hire | *market share*

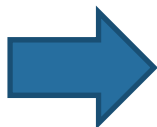


MCC Plant Hire | *fleet breakdown*

Manufacturer	Units	% of Total Units
Caterpillar	165	33.5
Komatsu	103	20.9
Bell	96	19.5
Sem	44	8.9
Volvo	24	4.9
Hyundai	19	3.9
Terex	7	1.4
Other	35	7.0
Total	493	100

Construction Equipment | *market share*

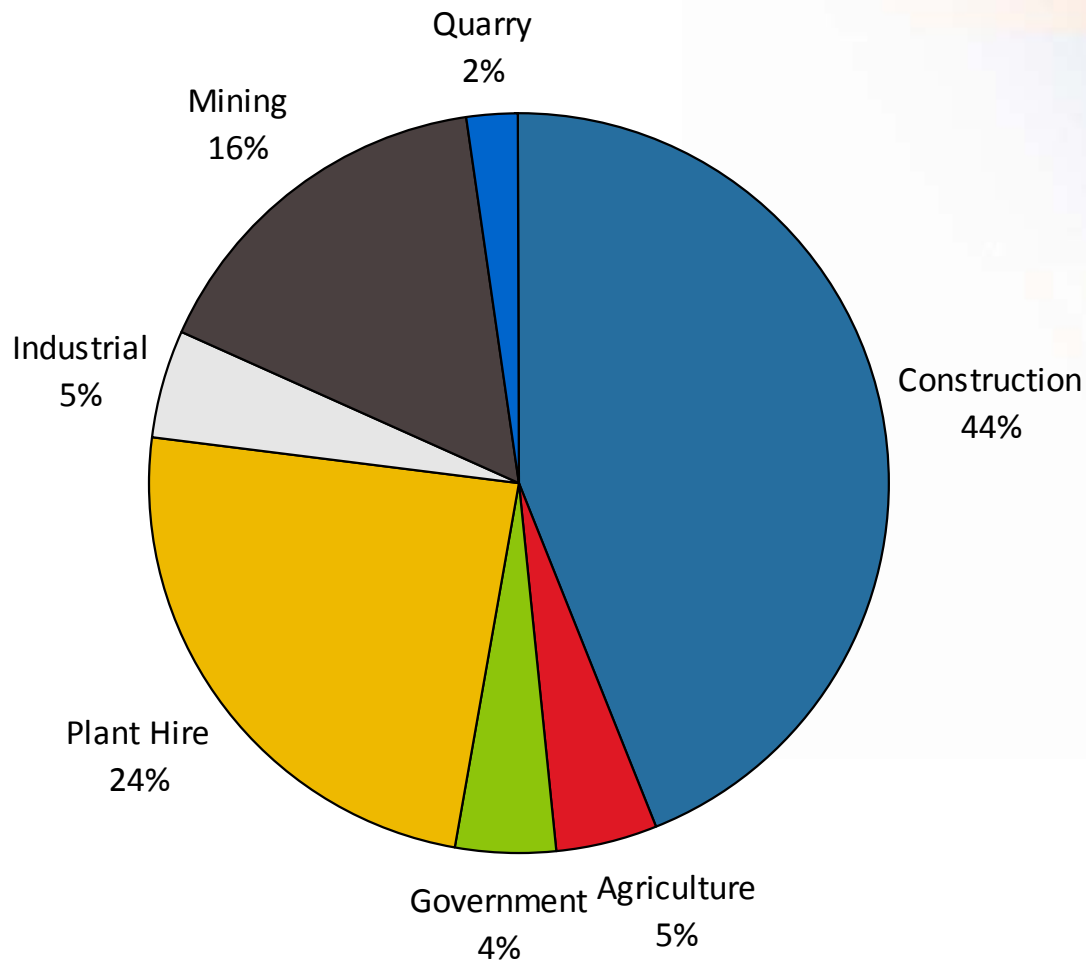
DISTRIBUTOR	PRODUCT	2007 UNITS	%	2008 UNITS (Jan – Aug)	%	Market Shift
Barloworld	Caterpillar	1519	23%	1219	24%	1%
Bell Equipment	Bell / Kato	888	13%	690	14%	0%
Komatsu	Komatsu	888	13%	626	12%	-1%
Babcock	Volvo	682	10%	405	8%	-2%
Kemach Equipment	JCB	677	10%	401	8%	-2%
Eqstra NH Equipment	New Holland Construction	116	2%	335	7%	5%
CSE Equipment	Case	517	8%	288	6%	-2%
Hitachi Construction	Hitachi	303	5%	237	5%	0%
Bateman Earthmoving	Furukawa / Kawasaki / Mitsubishi / MST / Sumitomo	255	4%	197	4%	0%
Daewoo Earthmoving	Daewoo	278	4%	162	3%	-1%
Terex Africa	Terex	65	1%	163	3%	2%
HPE Africa	Hyundai	96	1%	80	2%	0%
Other	Manitou	347	5%	238	5%	0%
	TOTAL	6631		5041		



Combined market share of 10% in 2008

Construction Equipment | 2007 sales breakdown

South Africa 2007: Heavy Equipment Sales
(Total 6,631 units sold)



C & M Distributorships | *product range*

Product Range	NH	Terex	MCC Usage
Backhoe loaders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Skidsteers	<input checked="" type="checkbox"/>		
Material / telehandlers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Dozers	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Graders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Excavators	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Wheel loaders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Articulated dump truck		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Rigid / haul trucks		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Hydraulic mining shovels		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Hydraulic track drills		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Rotary blasthole drills		<input checked="" type="checkbox"/>	
Crusher equipment		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Screening equipment		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
All & rough terrain cranes		<input checked="" type="checkbox"/>	
Crawler crane		<input checked="" type="checkbox"/>	
Tower crane		<input checked="" type="checkbox"/>	
Reach stacker		<input checked="" type="checkbox"/>	
Truck loader crane		<input checked="" type="checkbox"/>	
Paver & plant		<input checked="" type="checkbox"/>	



Appendix



Consolidated Income Statement

Rm	2008	2007	% change
Revenue	7,542	5,228	+44
Operating profit	1, 238	858	+44
Net finance cost	(512)	(280)	+83
Profit before taxation	692	556	+24
Taxation	(188)	(179)	+5
Profit after taxation	504	377	+34
Minority interests	(122)	(107)	+14
Pro-forma basic headline earnings per share (cents)	158.7	121.3	+31

Balance Sheet

Rm		2008	2007
Intangibles		5	60
PPE		353	241
Leasing assets	C&M +81% P&C +9% IE +20%	6,550	4,990
Other assets		192	251
Current assets	Terex and New Holland increase in stock	2,990	2,151
Total assets		10,090	7,693
Shareholders' funds		1,855	1,390
Non-current liabilities		5,166	4,498
Current liabilities		3,069	1,805
Total equity and liabilities		10,090	7,693


Cash Flow

Rm	2008	2007	% change
Cash generated from operations	2,406	1,752	+37%
Changes in working capital	(645)	(65)	+892%
Cash flow from operating activities	1,128	1,331	-15%
Cash flow from investing activities	(2,904)	(2,060)	+41%
Cash flow from financing activities	1,735	887	+95%

Terex and New Holland working capital



Ratios

		2008	2007
Operating margin		16.4%	16.4%
ROE	<div style="border: 1px solid green; padding: 5px; display: inline-block;"> R400m of additional capital injected by Imperial </div> 	23.9%	23.4%
Net working capital to revenue		10.6%	3.3%
Capital adequacy		18.4	18.1
Interest cover		2.4	3.1
Interest-bearing borrowings to equity		310.2%	297.8%
Net cash flow to net debt		31.3%	44.2%



EQSTRA Holdings Limited