

## ALTX DEBUTANTE B&W HEAVILY OVERSUBSCRIBED

**With its pre-listing private placement 49 times oversubscribed, B&W Instrumentation & Electrical (“B&W”) debuted strongly on AltX this morning. The share opened trade at a premium to the R1 a share in the pre-listing private placement giving the company a market capitalisation on listing of R416 million.** Healthy trade fuelled R15 million of transactions two hours after listing, in which 8,2 million shares changed hands, with the share price settling at around R1,85.

Prior to its debut this morning B&W was the largest privately-owned electrical and instrumentation (“E&I”) construction company in South Africa.

B&W’s Employee Trust holds 7% in the company for employees with a minimum four-year service record, 75% of whom are black. The remaining shares in issue are split approximately as to 63% held by management, 7% by institutions including Sanlam, Old Mutual, Coronation, Gryphon and Renaissance and the 23% balance as free float across a range of private client managers and individual investors.

Chairman John Barrow explains that the R30 million raised on listing will enable B&W to continue expansion in the growing E&I market, valued at R6,5 billion over the next five years in South Africa alone. With demand for power generation plants and new mines in the pipeline in South Africa and across Africa the group is particularly targeting the mining, energy and oil and gas sectors. The capital will also be used to fund the development of B&W’s capability in nuclear construction, a new focus area, to capitalise on planned nuclear sites in South Africa.

B&W’s order book was recently further boosted by its R52 million contract for a nickel mining plant in Madagascar. The contract will see the company establish its presence in the country off Africa’s coast for the first time. Commenting on the latest contract win CEO Brian Harley says the group is working together with leading Canadian construction group SNC Lavalin on the project. “The initial contract covers the early works and overhead lines. The experience gained during this phase, underpinned by our expertise in Africa, positions B&W strongly to secure tenders for additional contracts when the main plant is built in time.”

This contract adds to the 56% of the order book already in hand for the 2008 financial year, setting the company on course to meet forecast revenue to August 2007 and 2008 of R270 million and R336 million, respectively. Current projects underway include the E&I installation for a major uranium extraction plant in Klerksdorp and work on the largest platinum concentrator in the Southern hemisphere near Potgietersrust.

Further evidence of B&W’s strong growth prospects is its dividend policy. Roughly two months after listing it has forecast to declare a dividend of 3 cents a share. Harley says the dividend is driven mainly by the need to ensure that beneficiaries of the Employee Trust take an immediate tangible benefit from the listing.

Barrow concludes: “Although we are a newcomer to the listed environment our 33-year record of sustainable profitability, coupled with experienced management and

niche expertise in a flourishing industry, should enable B&W to deliver superior returns to investors.”

Ends.

---

**Issued by: Envisage Communications**  
Nicole Katz  
(011) 325 5944/083 287 2771

**On behalf of: B&W Instrumentation and Electrical Limited**  
John Barrow, Chairman  
(011) 907 1663/082 446 1176

Brian Harley, CEO  
(011) 907 1663/082 899 7659

[www.bwie.co.za](http://www.bwie.co.za)

**Issue date: 5 July 2007**

#### **About B&W**

The company builds a plant's E&I infrastructure and ensures that it functions in accordance with design specifications. Services include equipment procurement, project supervision and installation of the E&I system. Post-installation B&W provides specialised calibration and commissioning services to optimise the E&I system. Blue chip clients in the industrial utilities, mining, chemical, oil and gas and food and beverage industries include Anglo Platinum, BHP Billiton, BP, Caltex, Debswana, Impala Platinum, Lafarge Cement, PetroSA and Sasol.