

Chris Oliver

23 August 2007



Useless Without Us



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AGENDA

- Overview of CBI
- Market Driving Forces
- Strategic Issues

OVERVIEW OF CBI

Johannesburg





Lesotho 2

Assembly Plants

PRODUCT/MARKET MIX

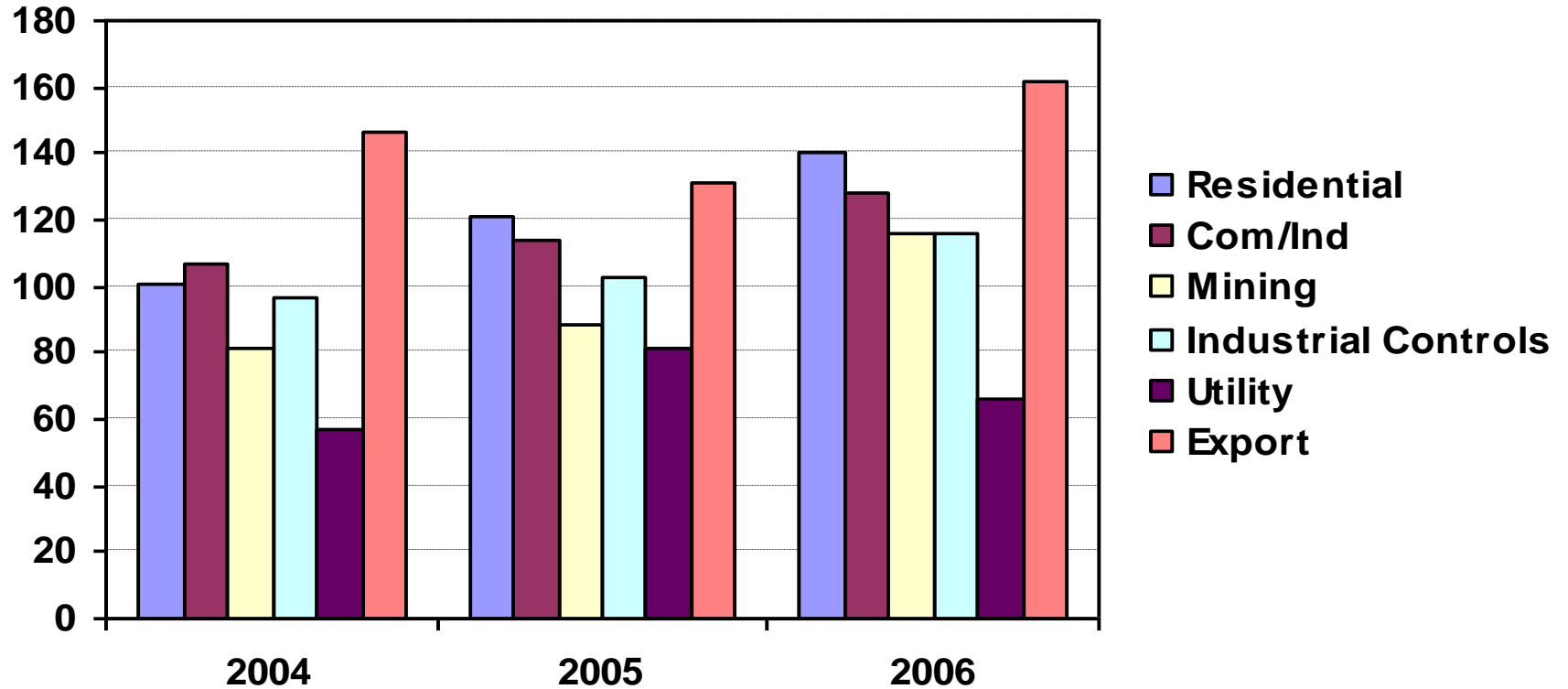
Market Segment	Miniature Circuit Breakers	Moulded Case Circuit Breakers	Earth Leakage Protection	Electricity Metering	Ready/Distribution Boards	Surge Protection Devices	Wiring Accessories	Automation Equipment	Motor Control Gear
Residential	x		x	x	x	x	x		
Commercial	x	x	x	x		x	x		
Mining	x	x	x					x	x
Utilities	x	x	x	x					
Industrial	x	x	x	x		x		x	x
OEM	x		x						

Manufactured

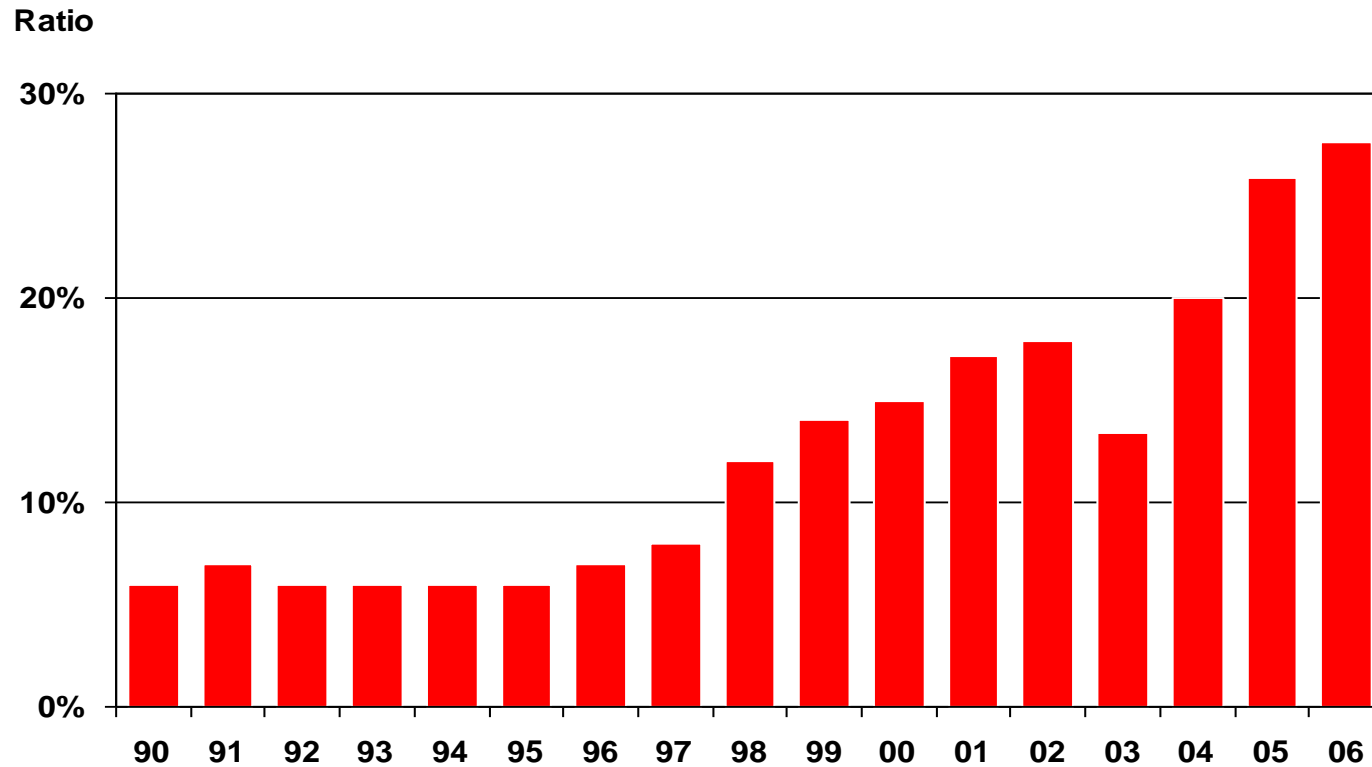
Traded

SALES MIX

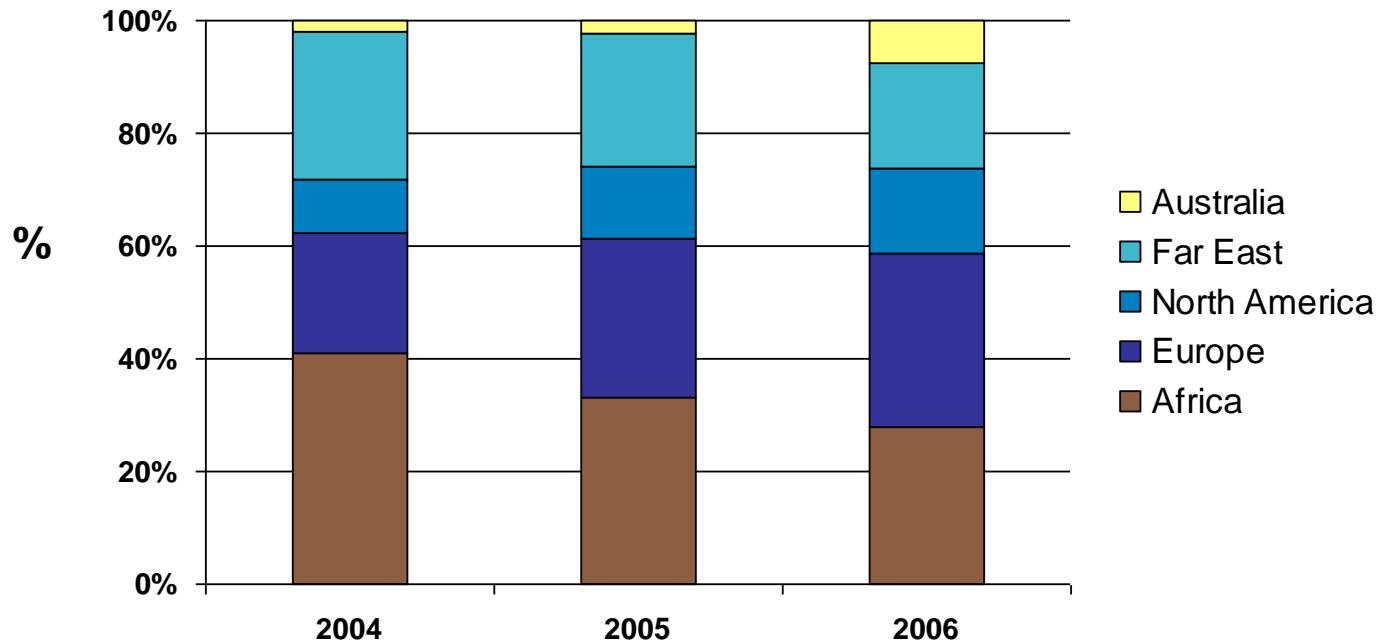
2003 Base = 100



EXPORT/TOTAL SALES



Export Sales by Region



MARKET DRIVING FORCES

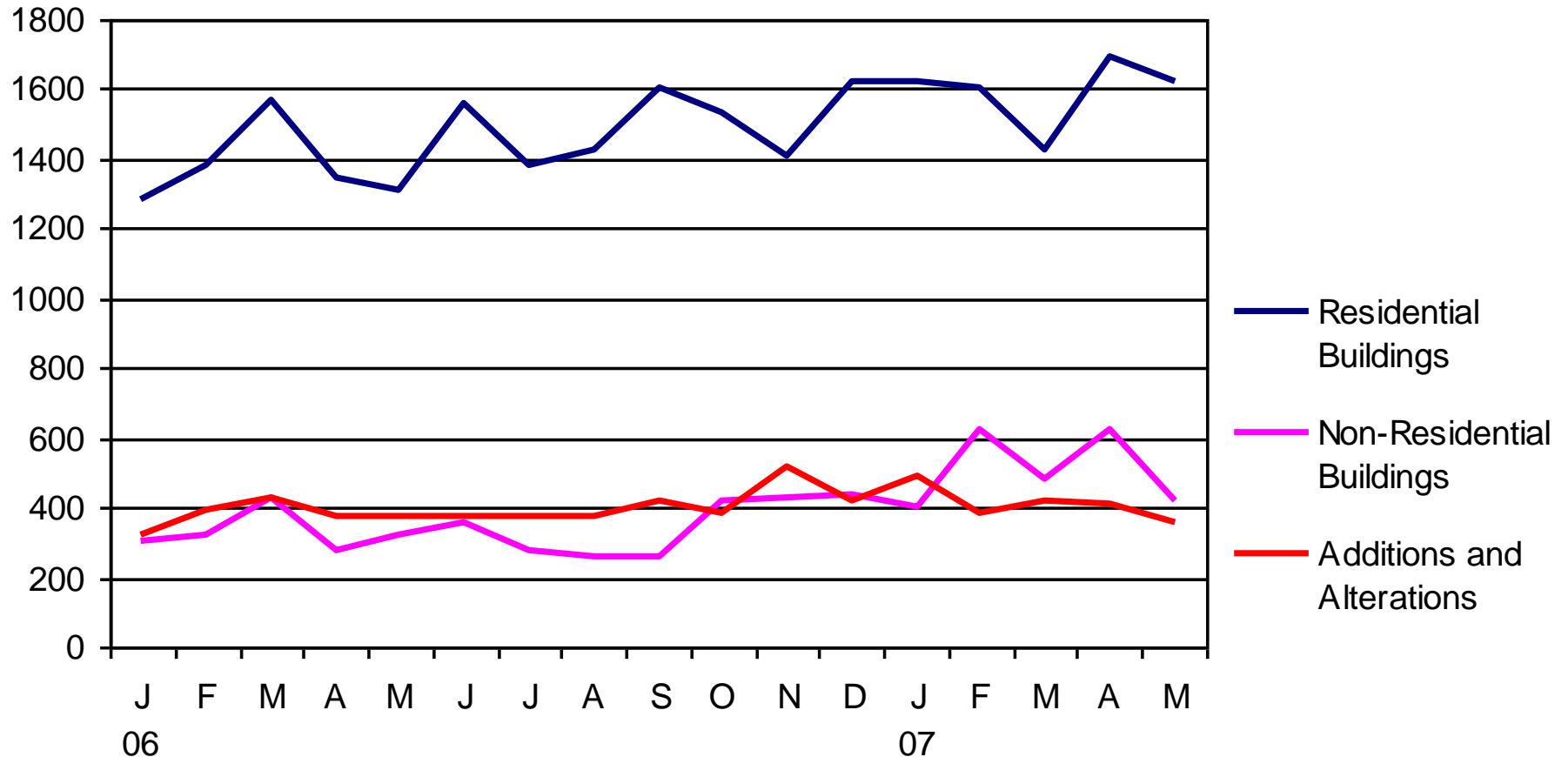
RESIDENTIAL

- Building plans completed
- Building plans passed
- Other suppliers are Clipsal, Schneider, Crabtree, ABB, Chint, MES, MCE etc.
- Low cost of Chinese products
- Suppliers of Chinese products in major centres
- Banks become major players in low cost housing
- CBI products are widely available

BUILDING PLANS COMPLETED

Seasonally Adjusted at constant 2000 prices

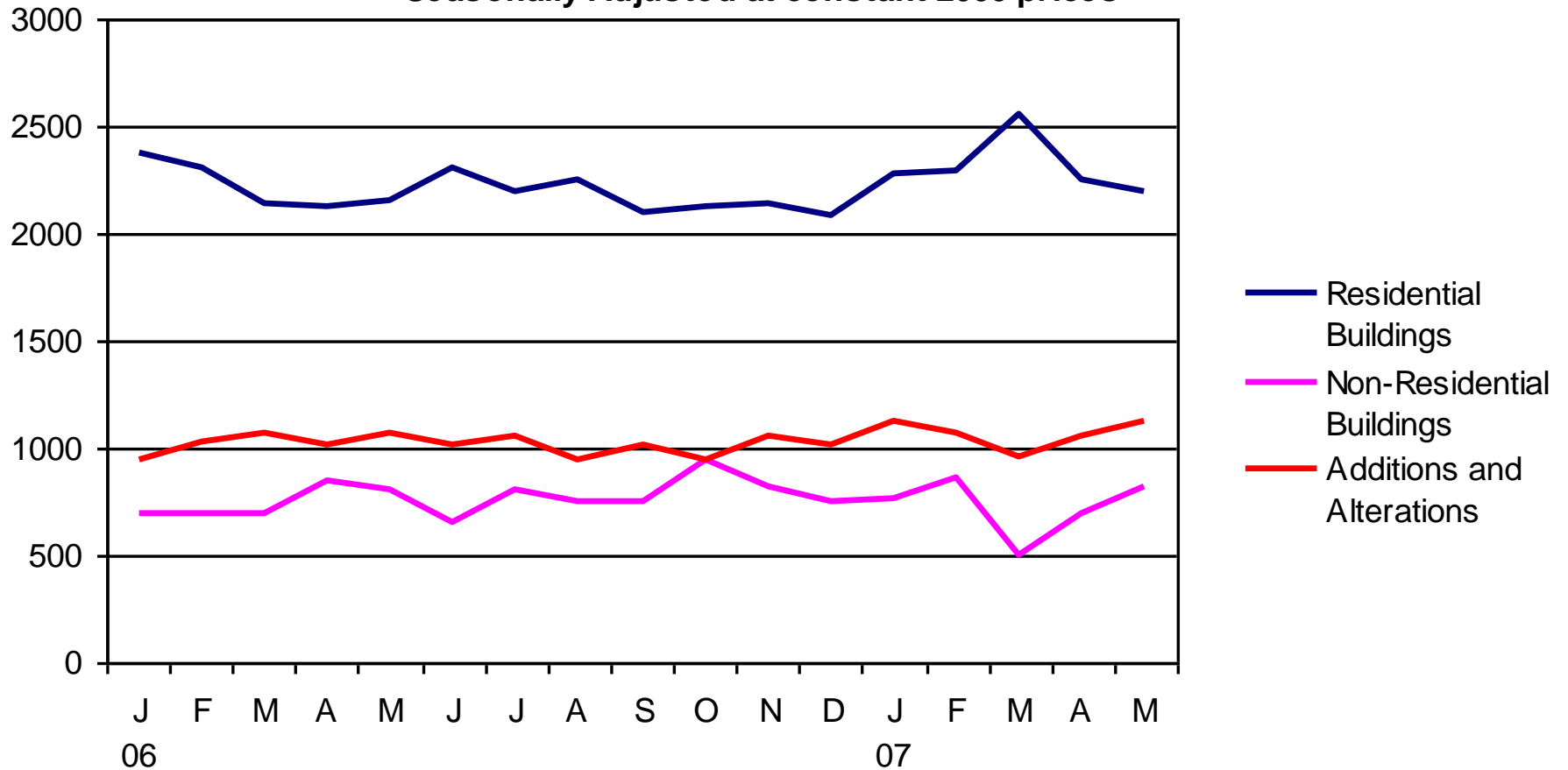
R mio



BUILDING PLANS PASSED

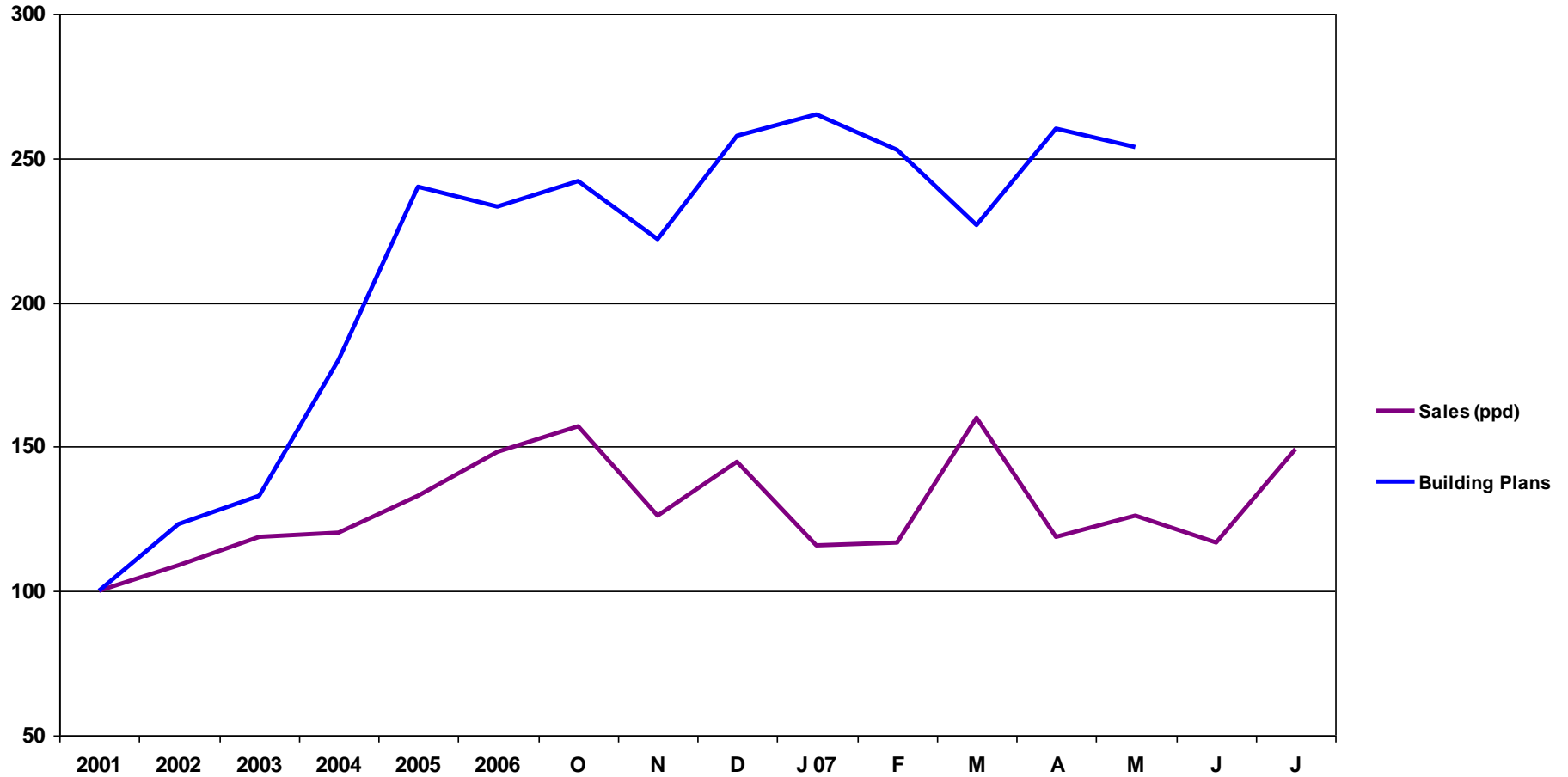
Seasonally Adjusted at constant 2000 prices

R mio



MARKET TRENDS RESIDENTIAL

Index (2001 = 100)



INDUSTRIAL and MINING

- Commodity prices lower but still high
- Project commitment remains strong
- Skills shortages for large projects
- Capacity of local suppliers to supply turn key projects
- Imports of capital equipment and associated circuit breakers

UTILITIES

- Slowdown in electrification due to electricity supply capacity limitations
- Erratic nature of metering orders and impact on industry
- Survival pricing models of metering competitors
- Eskom capital projects outstrips local capacity
- Declared preference for turn-key projects
- LV Circuit breakers disappear in enormity of projects
- LV circuit breakers will accompany international turn-key project suppliers

EXPORT

- Capital constraints limits export business consistency in Africa
- Industrialised countries moving their manufacturing to low labour cost areas i.e. China, Vietnam, India etc.
- Telecom, railway signalling and distribution protection remains the main market segments

STRATEGIC ISSUES

- Lower cost of manufacturing by
 - Rationalising product range
 - Reducing input costs
- Grow sales by
 - Strengthening distribution channel
 - More intelligent marketing
 - By insuring adequate supply of product

Q's & A's