



Phumelela Gaming & Leisure Limited
(Incorporated in the Republic of South Africa)
(Registration number 1997/016610/06)
Share code: PHM ISIN: ZAE000039269

The Group's unaudited condensed consolidated interim financial information for the six months ended 31 January 2013

- ★ **HEPS UP 17%**
- ★ **PAT UP 10%**
- ★ **PBT FROM FIXED ODDS OPERATIONS UP 33%**
- ★ **PBT FROM INTERNATIONAL OPERATIONS UP 18%**
- ★ **EPS UP 10%**
- ★ **DIVIDEND TO SHAREHOLDERS UP 12%**

STATEMENT OF FINANCIAL POSITION

	Unaudited 6 months 31 Jan 2013 R'000	Unaudited 6 months 31 Jan 2012 R'000	Audited 12 months 31 Jul 2012 R'000
ASSETS			
Non-current assets	436 950	408 057	415 390
Property, plant and equipment	364 005	343 491	348 935
Goodwill	12 227	12 227	12 227
Intangible assets	42 185	35 506	37 863
Interest in equity accounted investees	13 103	11 772	10 032
Investments	714	1 161	1 161
Deferred taxation asset	4 716	3 900	5 172
Current assets	139 126	149 882	176 567
Inventories	5 743	6 028	5 707
Trade and other receivables	70 398	67 163	67 171
Pension fund surplus	1 568	1 568	1 568
Income tax receivable	3 411	5 618	5 100
Cash and cash equivalents	58 006	69 505	97 021
Total assets	576 076	557 939	591 957
EQUITY AND LIABILITIES			
Total equity	407 506	382 825	403 881
Share capital and premium	1 890	1 890	1 890
Retained earnings	403 411	380 970	401 319
Non-distributable reserves	1 854	(35)	466
Equity attributable to ordinary shareholders	407 155	382 825	403 675
Non-controlling interest	351		206



Non-current liabilities	5 835	6 804	5 809
Deferred taxation liability	4 186	4 985	4 160
Retirement benefit obligations	1 649	1 819	1 649
Current liabilities	162 735	168 310	182 267
Trade and other payables	149 054	158 659	171 606
Betting dividends payable	10 681	6 496	7 661
Contingent consideration liability	3 000	3 000	3 000
Income tax payable		155	
Total equity and liabilities	576 076	557 939	591 957



STATEMENT OF COMPREHENSIVE INCOME

		Unaudited 6 months 31 Jan 2013 R'000	Unaudited 6 months 31 Jan 2012 R'000	Audited 12 months 31 Jul 2012 R'000
Income				
– Local operations	8	445 358	411 977	847 420
– International operations	16	46 147	39 743	89 114
	9	491 505	451 720	936 534
Gross betting income				
– Local operations	9	434 959	399 847	823 717
Net betting income				
– Local operations	9	351 419	322 979	668 362
Other operating income				
– Local operations	(2)	83 595	85 369	163 400
– International operations	17	46 574	39 720	89 044
Investment income				
– Local operations	(18)	1 072	1 312	2 527
– International operations	(47)	18	34	70
Net income	7	482 678	449 414	923 403
Operating expenses and overheads				
– Stakes	7	(86 960)	(81 167)	(165 149)
– Local operations	9	(315 576)	(290 570)	(595 548)
– International operations	2	(16 728)	(16 391)	(42 144)
Profit before finance costs, income tax, depreciation and amortisation	3	63 414	61 286	120 562
Depreciation and amortisation	11	(20 306)	(18 261)	(38 016)
Profit from operations		43 108	43 025	82 546
Finance costs				
– Local operations		(310)	(900)	(1 409)
Profit before share of profit of equity accounted investees	2	42 798	42 125	81 137
Share of profit of equity accounted investees		11 552	11 627	15 544
Profit before income tax expense	1	54 350	53 752	96 681
Income tax expense	(17)	(15 064)	(18 164)	(27 801)



Profit for the period	10	39 286	35 588	68 880
Other comprehensive income net of taxation				
– Exchange differences on translating foreign operations		1 388	248	749
Total comprehensive income for the period	14	40 674	35 836	69 629
Profit attributable to:				
Equity holders of the parent	10	39 141	35 588	68 674
Non-controlling interest		145		206
Profit for the period	10	39 286	35 588	68 880
Total comprehensive income attributable to:				
Equity holders of the parent	13	40 529	35 836	69 423
Non-controlling interest		145		206
Total comprehensive income for the period	14	40 674	35 836	69 629
Earnings per ordinary share (cents)				
– Basic	10	51,78	47,08	90,85
– Diluted	8	50,78	46,89	89,09



SUPPLEMENTARY STATEMENT OF COMPREHENSIVE INCOME INFORMATION

		Unaudited 6 months 31 Jan 2013 R'000	Unaudited 6 months 31 Jan 2012 R'000	Audited 12 months 31 Jul 2012 R'000
Reconciliation of headline earnings				
Earnings attributable to equity holders of parent	10	39 141	35 588	68 674
Adjusted for:				
Net loss/(profit) on disposal of property, plant and equipment		496	(2 116)	146
Tax effect		(139)	296	(41)
Headline earnings	17	39 498	33 768	68 779
Headline earnings per share (cents)	17	52,26	44,67	90,99
Diluted headline earnings per share (cents)	15	51,24	44,49	89,23
Net asset value per share (cents)	6	538,66	506,47	534,05
Dividend to shareholders				
<i>Interim dividend</i>				
Dividend per ordinary share (cents)		28,00	25,00	25,00
<i>Final dividend</i>				
Dividend per ordinary share (cents)				51,00
Number of shares in issue		75 586 838	75 586 838	75 586 838
Weighted average number of shares in issue for basic and headline earnings per share calculation		75 586 838	75 586 838	75 586 838
Weighted average number of shares in issue for diluted earnings per share calculation		77 082 581	75 895 688	77 083 215



STATEMENTS OF CASH FLOW

	Unaudited 6 months 31 Jan 2013 R'000	Unaudited 6 months 31 Jan 2012 R'000	Audited 12 months 31 Jul 2012 R'000
Net cash (outflow)/inflow from operating activities	(8 987)	912	53 883
Cash generated from operations	64 468	61 173	125 600
Movements in working capital	(22 793)	(4 054)	14 161
Cash generated from operating activities	41 675	57 119	139 761
Income tax paid	(12 893)	(24 150)	(35 667)
Investment income	1 090	1 346	2 597
Finance costs	(310)	(901)	(1 409)
Dividends to shareholders	(38 549)	(32 502)	(51 399)
Net cash outflow from investing activities	(31 019)	(58 776)	(85 250)
Acquisition of non-controlling interest in Betting World (Pty) Limited		(13 636)	(16 978)
Acquisition of property, plant and equipment and intangible assets	(40 367)	(25 742)	(58 348)
Proceeds on disposal of property, plant and equipment and intangible assets	156	3 074	6 500
Disposal of controlling interest in Phumelela Gold International Limited		(25 478)	(25 478)
Loans advanced			(270)
Advanced to equity accounted investees			(608)
Dividend received from equity accounted investee	9 192	3 006	9 932
Net cash outflow from financing activities		(5 632)	(5 362)
Loans repaid		(5 632)	(5 362)
Net decrease in cash and cash equivalents	(40 006)	(63 496)	(36 729)
Effect of exchange fluctuations on cash and cash equivalents	991		749
Cash and cash equivalents at beginning of period	97 021	133 001	133 001
Cash and cash equivalents at end of period	58 006	69 505	97 021



STATEMENT OF CHANGES IN EQUITY

	Share capital R'000	Non- distributable reserves R'000	Retained earnings R'000
Balance at 31 July 2011	1 890	(283)	386 159
Total comprehensive income for the period		248	35 588
– Profit for the period			35 588
– Foreign currency translation reserve		248	
Share based payment			1 500
Transactions with owners recorded directly in equity			
– Acquisition of non-controlling interest in Betting World (Pty) Limited			(9 775)
– Dividends paid to equity holders			(32 502)
Balance at 31 January 2012	1 890	(35)	380 970
Total comprehensive income for the period		501	33 086
– Profit for the period			33 086
– Foreign currency translation reserve		501	
Share based payment			6 160
Transactions with owners recorded directly in equity			
– Dividends paid to equity holders			(18 897)
Balance at 31 July 2012	1 890	466	401 319
Total comprehensive income for the period		1 388	39 141
– Profit for the period			39 141
– Foreign currency translation reserve		1 388	
Share based payment			1 500
Transactions with owners recorded directly in equity			
– Dividends paid to equity holders			(38 549)
Balance at 31 January 2013	1 890	1 854	403 411



STATEMENT OF CHANGES IN EQUITY (cont)

	Equity attributable to ordinary shareholders R'000	Non- controlling interest R'000	Total equity R'000
Balance at 31 July 2011	387 766	23 025	410 791
Total comprehensive income for the period	35 836		35 836
– Profit for the period	35 588		35 588
– Foreign currency translation reserve	248		248
Share based payment	1 500		1 500
Transactions with owners recorded directly in equity			
– Acquisition of non-controlling interest in Betting World (Pty) Limited	(9 775)	(23 025)	(32 800)
– Dividends paid to equity holders	(32 502)		(32 502)
Balance at 31 January 2012	382 825		382 825
Total comprehensive income for the period	33 587	206	33 793
– Profit for the period	33 086	206	33 292
– Foreign currency translation reserve	501		501
Share based payment	6 160		6 160
Transactions with owners recorded directly in equity			
– Dividends paid to equity holders	(18 897)		(18 897)
Balance at 31 July 2012	403 675	206	403 881
Total comprehensive income for the period	40 529	145	40 674
– Profit for the period	39 141	145	39 286
– Foreign currency translation reserve	1 388		1 388
Share based payment	1 500		1 500
Transactions with owners recorded directly in equity			
– Dividends paid to equity holders	(38 549)		(38 549)
Balance at 31 January 2013	407 155	351	407 506



Review of Results

Group results

It is pleasing to report that the Group's fixed odds operations, international operations and totalisator sports pools bouquet other than horseracing ("Tote Sports Pools") delivered more than satisfactory growth for the period under review.

Increased fixed odds betting volumes on sports other than horseracing and lucky numbers, coupled with improved betting margins, helped increase profit before income tax (PBT) from fixed odds operations by a pleasing 33%. International operations, benefitting from Rand weakness and revenue growth from the export of South African thoroughbred horseracing media rights and concomitant betting thereon, increased by 18%. Net betting income from Tote Sports Pools (primarily soccer) surged by 77% assisted by the introduction of new products as well as increased betting opportunities. PBT from local operations (excluding fixed odds operations) declined by 80% primarily due to increased operating costs and a decline in totalisator revenues on horseracing. PBT from local operations was impacted by a decline in local race meetings as a result of inclement weather conditions and in addition the "J&B Met" race meeting was held in February (H2) this year as opposed to January (H1) in the prior year.

Total income increased by 9% to R492 million (2012: R452 million) and comprises local operations up 8% to R446 million (2012: R412 million) and international operations up 16% to R46 million (2012: R40 million).

Net betting income comprising local operations increased by 9% to R351 million (2012: R323 million). Net betting income from totalisator operations benefitted from a 77% increase on Tote Sports Pools and increased by 7% to R301 million (2012: R282 million). Net betting income from fixed odds operations benefitted from improved betting margins and increased betting on sports (other than horseracing) and lucky numbers and increased by 23% to R50 million (2012: R41 million).

Other income comprises, inter alia, commission received from international totes betting on South African racing, fees paid by offshore bookmakers for the rights to display South African racing, local bookmakers' levies, unclaimed dividends and breakages, TellyTrack subscriptions, share of profits from LPM's installed in retail outlets and stable rentals. Other income increased by 4% to R130 million (2012: R125 million).

Investment income decreased by 19% to R1,1 million (2012: R1,3 million) primarily due to the decrease in cash and cash equivalents.



Operating expenses increased by 8% to R419 million (2012: R388 million) inclusive of stakes that increased by 7% to R87 million (2012: R81 million).

Profit before finance costs, income tax, depreciation and amortisation increased by 3% to R63 million (2012: R61 million).

The Group invested a further R40 million in its capital infrastructure and as a consequence the depreciation and amortisation charge increased by 11% to R20 million (2012: R18 million).

Share of profit from equity accounted investees decreased marginally to R11,5 million (2012: R11,6 million) comprising R10,9 million (2012: R11,1 million) from the Isle of Man operation and R0,6 million (2012: R0,5 million) from Automatic Systems Limited (ASL - a company listed on the Mauritius Stock Exchange and one of two licensed totalisator operators on the island).

Profit before income tax increased by 1% to R54,3 million (2012: R53,7 million) whilst profit after income tax benefitted from Secondary Tax on Companies being replaced by a Dividend Tax and increased by 10% to R39,3 million (2012: R35,6 million).

Earnings per share increased by 10% to 51,78 cents per share (2012: 47,08 cents per share) whilst headline earnings and headline earnings per share (HEPS) increased by 17% to R39,5 million (2012: R33,8 million) and 52,26 cents per share (2012: 44,67 cents per share) respectively. Diluted HEPS increased by 15% to 51,24 cents per share (2012: 44,49 cents per share).

Local operations

Income from local operations increased by 8% to R446 million (2012: R412 million) with income from fixed odds operations up 24% to R59,4 million (2012: R47,9 million) and income from totalisator, racing and other operations up 6% to R385,9 million (2012: R364,1 million).

Net betting income increased by 9% to R351,4 million (2012: R323 million) comprising totalisator operations which increased by 7% to R301,3 million (2012: R282,1 million) and fixed odds operations which increased by 23% to R50,1 million (2012: R40,9 million).

Net betting income from totalisator operations was underpinned by a pleasing 77% increase in betting on Tote Sports Pools to R72 million (2012: R40 million) comprising soccer (99,75%) and rugby (0,25%) pools. Soccer pools were driven by a substantial increase in betting opportunities offered more regularly on a weekly basis. Net betting income from local and imported horseracing product decreased by 5% to R229 million (2012: R241 million) primarily due to a reduction in the number of local race meetings (impacted by inclement weather conditions) and a change in the racing programme which moved the J&B Met to February (previously January). Net betting income from bookmaker related totalisator agencies



decreased further by 11% with a number of bookmakers opting to cease agent operations in favour of offering the “Open Bet”.

Fixed odds betting comprising 64% (2012: 75%) on horseracing, 22% (2012: 22%) on other sports and 14% (2012: 3%) on lucky numbers, increased by 15%. This increase coupled with improved betting margins help lift net betting income by 23% with net betting income on horseracing down 10% to R27 million (2012: R30 million), on other sports up 42% to R12 million (2012: R9 million) and on lucky numbers up 338% to R11 million (2011: R3 million). Fixed odds betting patterns on horseracing and other sports are similar to those of the totalisator with betting on horseracing impacted by the decrease in local race meetings whilst betting on other sports is predominantly made up of soccer bets. Betting on lucky numbers was driven by increased betting opportunities primarily in bricks and mortar outlets.

Other income decreased by 2% to R84 million (2012: R85 million) and includes LPM income R9 million (up 27%) and bookmaker levies R26 million (up 29%).

Operating expenses including stakes increased by 8% to R403 million (2012: R372 million). Excluding stakes, which increased by 7% to R87 million (2012: R81 million), operating expenses increased by 9% to R316 million (2012: R291 million) primarily due to employee, water and lights, rates and taxes, transport, security, lease rentals and regulatory compliance costs.

PBT from local operations decreased by 31% to R13 million (2012: R19 million) with PBT from fixed odds operations up 33% to R11 million (2012: R8 million) and other local operations down 80% to R2 million (2012: R11 million). The Group's diversification strategy into tote betting on soccer and rugby continues to sustain local profitability.

International operations

Income from international operations increased by 16% to R46,1 million (2012: R39,7 million) assisted by Rand weakness and increased revenues from Australia (6%), Singapore (25%) and France (630%) primarily due to increased demand for South African racing and concomitant betting thereon. Income from the UK increased by 15% as a result of the increased revenues generated by the long term agreement concluded with Satellite Information Services Limited.

Operating expenses were impacted by Rand weakness and increased by 2% to R16,7 million (2012: R16,4 million).

The Group's share of profit from its equity accounted investees Premier Gateway International Limited (Isle of Man) and ASL (Mauritius) decreased marginally to R11,5 million (2012: R11,6 million), mainly as a result of increased staff costs incurred so as to enable Tabcorp to commence trade with the Isle of Man operation.



PBT from international operations increased by 18% to R41,3 million (2012: R34,9 million) and equates to 76% (2012: 65%) of the Group's PBT.

Financial position

The Group has total assets of R576 million (2012: R592 million) including cash resources of R58 million (2012: R97 million). The Group's net asset value per share increased to 538,66 cents per share.

Cash generated from operations of R64,5 million was utilised to fund an increase in working capital of R22,8 million, pay income tax of R12,9 million and dividends of R38,5 million. A further R40,4 million was utilised for capital expenditure and software development inclusive of R16 million on the new Polytrack surface (work in progress) and general upgrade at Fairview racecourse.

Share capital

There was no movement in share capital during the period under review.

Capital commitments

Commitments in respect of capital expenditure approved by directors.

	2013	2012
	R'000	R'000
Contracted for	29 009	2 276
Not contracted for	52 601	32 594

Contracted commitments include R24 million for the new Polytrack surface at Fairview racecourse. Not contracted for commitments include some R30 million to expand the Group's retail footprint which is dependent on a number of pending license applications being granted by the Regulators.

Reporting entity

Phumelela Gaming and Leisure Limited is a company domiciled in South Africa. The condensed consolidated interim financial statements as at and for the period ended 31 January 2013 comprises of the Company and its subsidiaries and the Group's interests in equity accounted investees.

Related parties

There has been no significant change in related party relationships since the previous year.

Other than in the normal course of business, there have been no significant transactions during the period with equity accounted investees, joint operations and other related parties.



Segmental analysis

The Group stages and broadcasts horseracing events and offers betting opportunities on both South African and international product in two geographic segments, namely South Africa and the rest of the world. Betting opportunities in South Africa comprise totalisator and fixed odds operations.

		Unaudited 6 months 31 Jan 2013 R'000	Unaudited 6 months 31 Jan 2012 R'000	Audited 12 months 31 Jul 2012 R'000
LOCAL				
Excluding fixed odds				
Income	6	385 907	364 077	741 114
Net betting income	7	301 308	282 134	574 981
– Horseracing	(5)	229 136	241 331	486 159
– Other sports	77	72 172	40 803	88 822
Other income	1	81 850	80 645	157 250
Investment income	(18)	954	1 163	2 131
Net income	6	384 112	363 942	734 362
Stakes	7	(86 960)	(81 167)	(165 149)
Operating expenses	9	(277 766)	(255 151)	(525 771)
Profit before depreciation and amortisation	(30)	19 386	27 624	43 442
Depreciation and amortisation	6	(16 988)	(16 073)	(32 739)
Profit before finance costs and income tax expense	(79)	2 398	11 551	10 703
Finance costs		(310)	(900)	(1 398)
Profit before income tax expense	(80)	2 088	10 651	9 305
Fixed odds				
Income	24	59 451	47 900	106 906
Net betting income	23	50 111	40 845	93 381
– Horseracing	(10)	26 777	29 633	64 189
– Other sports	42	12 370	8 710	19 029
– Other	338	10 964	2 502	10 163
Other income	(63)	1 745	4 724	6 150
Investment income	(21)	118	149	396
Net income	14	51 974	45 718	99 927
Operating expenses	7	(37 810)	(35 419)	(69 777)



Profit before depreciation and amortisation	38	14 164	10 299	30 150
Depreciation and amortisation	55	(3 250)	(2 093)	(5 103)
Profit before finance costs and income tax expense	33	10 914	8 206	25 047
Finance costs				(11)
Profit before income tax expense	33	10 914	8 206	25 036
INTERNATIONAL				
Income	16	46 147	39 743	88 514
Other income	17	46 574	39 720	89 044
Investment income		18	34	70
Net income	17	46 592	39 754	89 114
Operating expenses	2	(16 728)	(16 391)	(42 144)
Profit before depreciation and amortisation	28	29 864	23 363	46 970
Depreciation and amortisation	(28)	(68)	(95)	(174)
Profit from operations	28	29 796	23 268	46 796
Share of profit of equity accounted investees		11 552	11 627	15 544
Profit before income tax expense	18	41 348	34 895	62 340
TOTAL FOR THE GROUP				
Income	9	491 505	451 720	936 534
Net betting income	9	351 419	322 979	668 362
– Horseracing	(6)	255 913	270 964	550 348
– Other sports	71	84 542	49 513	107 851
– Other	338	10 964	2 502	10 163
Other income	4	130 169	125 089	252 444
Investment income	(19)	1 090	1 346	2 597
Net income	7	482 678	449 414	923 403
Stakes	7	(86 960)	(81 167)	(165 149)
Operating expenses	8	(332 304)	(306 961)	(637 692)
Profit before depreciation and amortisation	3	63 414	61 286	120 562
Depreciation and amortisation	11	(20 306)	(18 261)	(38 016)
Profit before finance costs and income tax expense		43 108	43 025	82 546
Finance costs		(310)	(900)	(1 409)
Profit before share of equity accounted investee	2	42 798	42 125	81 137
Share of profit of equity accounted investees		11 552	11 627	15 544
Profit before income tax expense	1	54 350	53 752	96 681



Statement of compliance and presentation

The condensed consolidated interim financial information for the six months ended 31 January 2013 has been prepared in accordance with IAS34 – Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the Listing Requirements of the JSE Limited and the requirements of the South African Companies Act. The financial information does not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 July 2012.

The condensed consolidated interim financial statements are presented in South African Rands rounded to the nearest thousand, which is the Company's functional and presentation currency. They are prepared on the historical cost basis, except for certain derivative financial instruments that are recognised at fair value.

The accounting policies applied in the presentation of the condensed consolidated interim financial statements are consistent with those applied for the year ended 31 July 2012, except for new standards and interpretations that became effective on 1 August 2012 and deemed applicable to the Group. The adoption of these standards and interpretations had no impact on the results for the period nor has it required the restatement of any prior year figures. The amounts disclosed are not audited, except if indicated otherwise.

The Board is committed to the highest standards of corporate governance throughout the Group, endorses the recommendations set out in King III and supports the Code of Corporate Practices and Conduct set out therein.

Mr B K McLoughlin CA(SA) (Chief Financial Officer) was responsible for supervising the preparation of the annual financial statements and preparing these condensed consolidated interim financial statements.

Subsequent events

There are no subsequent events that have an impact on the financial information at 31 January 2013.

Corporate interests

As reported previously, Phumelela and Gold Circle received notice on 1 July 2011, from the Competition Commission ("the Commission") of a complaint lodged by Africa Race Group (Pty) Limited alleging, inter alia, price fixing and market allocation. The Company has submitted a formal response to the allegations and awaits the Commission's findings. The directors consider the possibility of an outflow of resources as remote.



In a separate matter, on 19 March 2012, the Commission issued a ruling prohibiting the acquisition by Kenilworth Racing (Pty) Limited (“Kenilworth”) of the Western Cape business of Gold Circle and simultaneously the Thoroughbred Horse Racing Trust’s acquisition of the entire issued equity in Kenilworth. The parties lodged an appeal and on 15 November 2012 the Competition Tribunal overturned the Commission’s ruling and a merger clearance certificate was granted. Phumelela will manage the Western Cape business by agreement with Kenilworth.

The Group is in the process of unbundling its indirect investment in ASL held through Phumelela Gold Enterprises with a view of holding the shares in ASL directly. Phumelela and Gold Circle have agreed to distribute the shares in equal proportion between them.

Social responsibility

The Group recognises that it has a responsibility to the broader community to act in a socially responsible manner, for the benefit of all South Africans. Contributions to selected training, sports and community service related projects continue. The Group has adopted appropriate BEE and employment equity, training and procurement policies.

The Group is a “AA Level Three Contributor” and remains committed to achieving “AAA Level Two Contributor” status by 2015.

Directors

There were no changes to the composition of the Board during the period under review.

Prospects

The Group’s Tote Sports Pools, fixed odds operations and international operations continue to enjoy good demand.

Management continues to target growth in earnings for the full year.

This forecast has not been reviewed or reported on by the Company’s auditors.

Cash dividend to shareholders

Notice is hereby given that the Board has declared a gross interim cash dividend from income reserves of 28 cents per share (23,80 cents per share net of dividend withholding tax at a rate of 15%) payable to shareholders recorded in the register on Friday 24 May 2013. The Company has no secondary tax on companies’ credits available. The issued share capital at the declaration date is 77 101 885 ordinary shares. Shareholders are advised that the last date to trade “cum dividend” will be Friday 17 May 2013. As from commencement of business on Monday 20 May 2013 all trading in Phumelela shares will be “ex



dividend". Payment will be made on Monday 27 May 2013. Share certificates may not be dematerialised or rematerialised between Monday 20 May 2013 and Friday 24 May 2013, both days inclusive. The Company's tax reference number is 9171/393/84/7.

For and on behalf of the Board

M P MALUNGANI

Chairman

Johannesburg

10 April 2013

W A du PLESSIS

Group Chief Executive

Directors: M P Malungani (Chairman), W A du Plessis* (Group Chief Executive), A W Heide* (Finance Director and COO), R Cooper, M J Jooste, B Kantor, S K C Khampepe, N J Mboweni (Mrs), V J Moodley*, Dr E Nkosi, M L Ramafalo*, J A Stuart*, C J H Van Niekerk, J B Walters (*Executive)

Company Secretary: R Gopaul

Registered Office: Turffontein Racecourse, 14 Turf Club Street, Turffontein

Transfer Secretaries: Computershare Investor Services (Pty) Limited

Share code: PHM ISIN: ZAE000039269

Sponsor: Investec Bank Limited

Web site: www.phumelela.com