



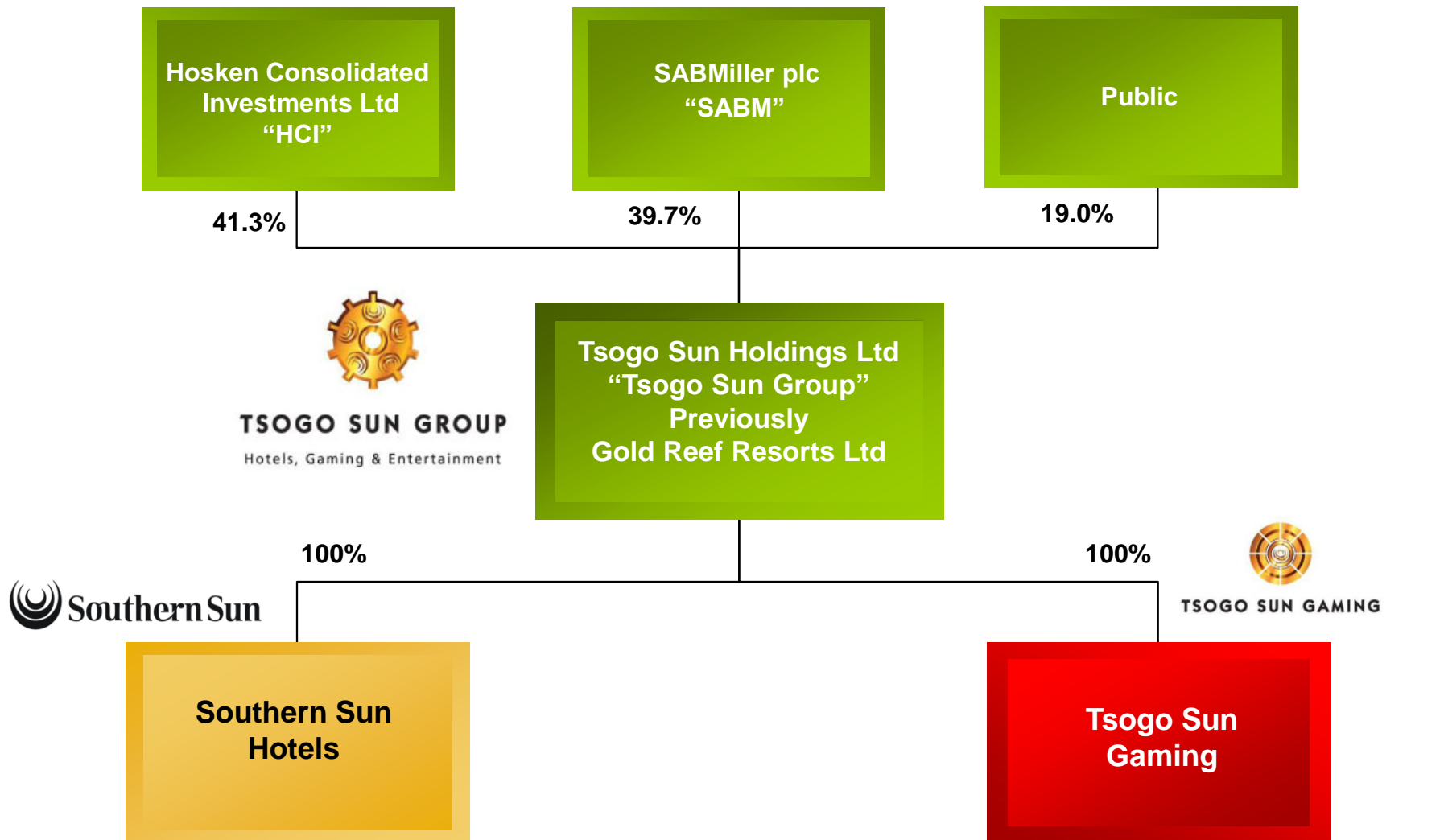
TSOGO SUN GROUP

Hotels, Gaming & Entertainment

Presentation to:-

Analysts and Investors
November 2011

Group Structure



Gaming Portfolio

Tsogo Sun Gaming



TSOGO SUN GAMING

Gauteng

KZN

Western Cape

Mpumalanga

Eastern Cape

Free State



100%



90%* (73.5%)*



100%



100%



65% (80%)



100%



100%



100%



85%



100%



25%



100%



100%



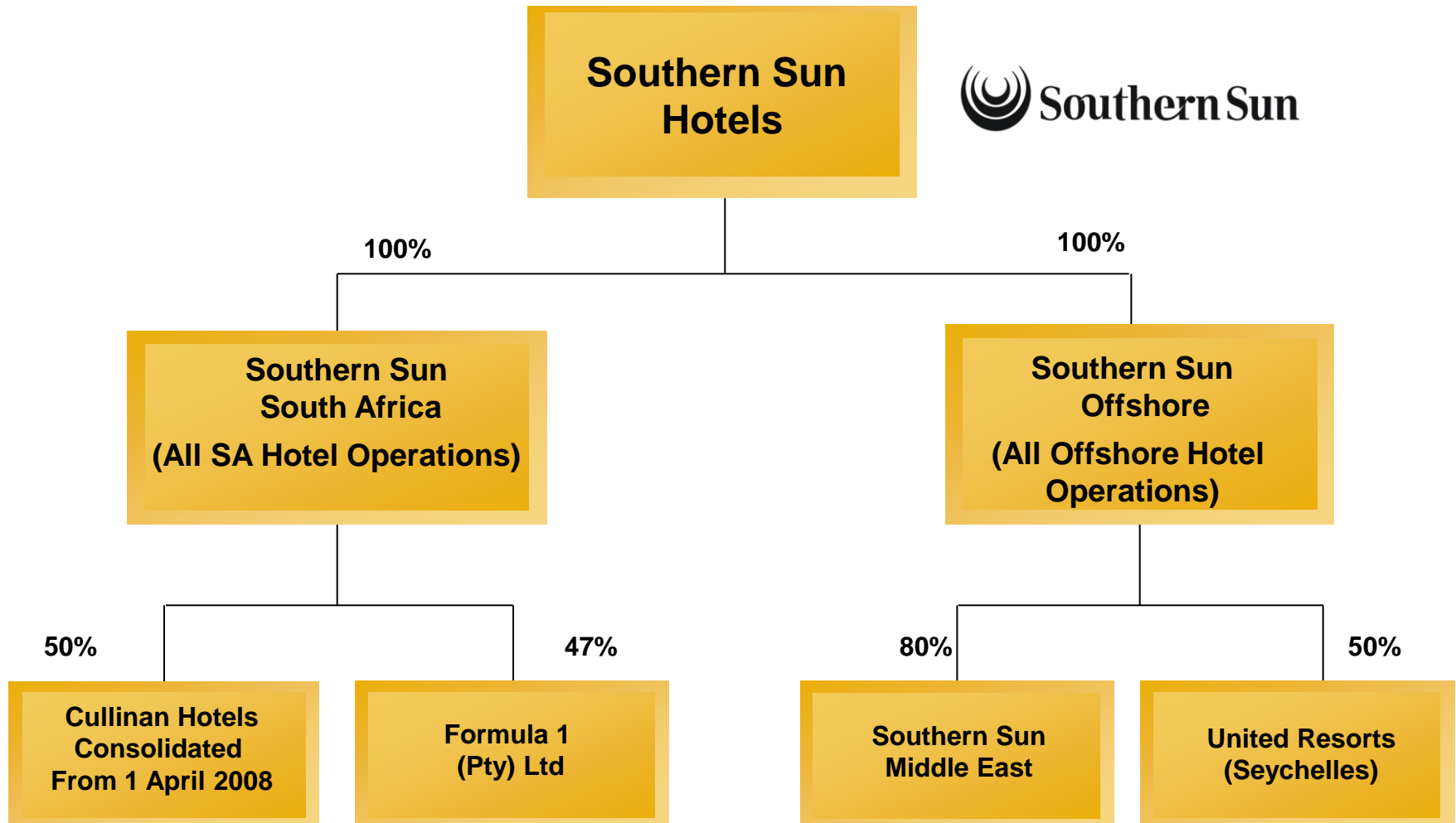
70%

* Subject to Gaming Board approval.



Hotels Structure

**Southern Sun
Hotels**



Management & Board

■ Group Executive Committee

■ Corporate

- Marcel von Aulock – Group CEO
- Rob Huddy – Group CFO
- Rob Collins – Chief Marketing Officer
- Vusi Dlamini – Group HR Director
- Laurelle Fick – Corporate Finance Manager
- Kevin Page – Group Development Director
- Henry Parrymore – Chief Information Officer
- Graham Tyrrell – Group Legal Director
- Wynand van Wyngaardt – Company Secretary

■ Gaming

- Jacques Booysen – MD Gaming
- Greg Lunga – FD Gaming
- Thabo Mosololi – Operations Director Gaming

■ Hotels

- Graham Wood – MD Hotels SA
- Richard Weilers – COO and MD Offshore
- Jaco Boshoff – FD Hotels SA

■ TSH Board of Directors

■ Executive Directors

- Marcel von Aulock – Group CEO
- Rob Huddy – Group CFO

■ Non-Executive Directors

- Johnny Copelyn (Chairman)
- Jabu Mabuza (Deputy Chairman)
- Marcel Golding
- Andre Van Der Veen
- Elias Mphande
- Yunis Shaik
- Meyer Kahn
- Graham Mackay
- Malcolm Wyman
- Rex Tomlinson
- Jabu Ngcobo



Accounting Issues

- **Accounting**

- Current period results represent 6 months consolidated merge co
- Prior period results represent 6 months Tsogo with GRR equity accounted
 - Deal closed on 24 February 2011
- Exchange ratio 81% (TIH and SABSA) / 19% (Other GRR)
 - 888.3m shares issued = number of shares used for prior period EPS
 - 1096.9m shares in issue at 30 September 2011 = used for current period EPS
- Dividend
 - F'12 – Full dividend in respect of F'11 of 50c paid in June 2011 plus interim in respect of F'12 of 20c to be paid in December 2011
 - F'11 – No dividend declared during merger proceedings
 - STC charge for six months to September 2011 R67m
 - STC charge for six months to September 2010 R2m



Segmental Analysis



Group – Revenue and EBITDAR (Rm)

| | H1 F'12 | H1 F'11 | % Change |
|-------------------------------------|--------------|--------------|-----------|
| Revenue | | | |
| Gaming | 3 439 | 2 188 | |
| Hotels SA | 779 | 859 | |
| Hotels Offshore | 153 | 126 | |
| Corporate (intra-group-elimination) | (15) | (17) | |
| Total Group | 4 356 | 3 156 | 38 |
| GRR (management accounts) | - | 1 093 | * |
| Total Group adjusted | 4 356 | 4 249 | 3 |
| EBITDAR | | | |
| Gaming | 1 338 | 869 | |
| Hotels SA | 214 | 309 | |
| Hotels Offshore | 43 | 34 | |
| Corporate | 4 | 5 | |
| Forex gains/losses | 20 | (5) | |
| Total Group | 1 619 | 1 212 | 34 |
| GRR (management accounts) | - | 390 | * |
| Total Group adjusted | 1 619 | 1 602 | 1 |



Tsogo Sun Segmental (Rm)

| | Income | | EBITDAR | | EBITDAR Margin | |
|--|--------------|--------------|--------------|--------------|----------------|-------------|
| | H1 F'12 | H1 F'11 | H1 F'12 | H1 F'11 | H1 F'12 | H1 F'11 |
| Montecasino | 1 029 | 993 | 427 | 403 | 41.5 | 40.6 |
| Suncoast | 627 | 606 | 292 | 277 | 46.6 | 45.7 |
| Gold Reef City | 558 | n/a | 210 | n/a | 37.6 | n/a |
| Silverstar | 275 | n/a | 98 | n/a | 35.6 | n/a |
| The Ridge | 172 | 162 | 79 | 75 | 45.9 | 46.3 |
| Emnotweni | 142 | 133 | 62 | 56 | 43.7 | 42.1 |
| Hemingways | 139 | 134 | 57 | 56 | 41.0 | 41.8 |
| Golden Horse | 138 | n/a | 68 | n/a | 49.3 | n/a |
| Garden Route | 71 | n/a | 31 | n/a | 43.7 | n/a |
| Goldfields | 64 | n/a | 29 | n/a | 45.3 | n/a |
| Blackrock | 59 | 52 | 22 | 18 | 37.3 | 34.6 |
| Caledon | 59 | 57 | 16 | 14 | 27.1 | 24.6 |
| Mykonos | 57 | n/a | 23 | n/a | 40.4 | n/a |
| Other gaming operations | 49 | 51 | (76) | (30) | n/a | n/a |
| Total gaming operations | 3 439 | 2 188 | 1 338 | 869 | 38.9 | 39.7 |
| South African hotels division* | 779 | 859 | 214 | 309 | 27.5 | 36.0 |
| Offshore hotels division | 153 | 126 | 63 | 29 | 41.2 | 23.0 |
| <i>Pre-foreign exchange gains</i> | | | 43 | 34 | 28.1 | 26.9 |
| <i>Foreign exchange gains/(losses)</i> | | | 20 | (5) | | |
| Corporate | (15) | (17) | 4 | 5 | | |
| Group | 4 356 | 3 156 | 1 619 | 1 212 | 37.2 | 38.4 |

Note: All casino units are reported pre-internal gaming management fees

* Includes R14.6m (2010 : R17.6m) inter-group management fees



Tsogo Sun Segmental Adjusted (Rm)

| | Income Adjusted | | EBITDAR Adjusted | | EBITDAR Margin Adjusted | |
|--|-----------------|--------------|------------------|--------------|-------------------------|-------------|
| | H1 F'12 | H1 F'11 | H1 F'12 | H1 F'11 | H1 F'12 | H1 F'11 |
| Montecasino | 1 029 | 993 | 427 | 403 | 41.5 | 40.6 |
| Suncoast | 627 | 606 | 292 | 277 | 46.6 | 45.7 |
| Gold Reef City | 558 | 507 | 210 | 179 | 37.6 | 35.3 |
| Silverstar | 275 | 278 | 98 | 101 | 35.6 | 36.3 |
| The Ridge | 172 | 162 | 79 | 75 | 45.9 | 46.3 |
| Emnotweni | 142 | 133 | 62 | 56 | 43.7 | 42.1 |
| Hemingways | 139 | 134 | 57 | 56 | 41.0 | 41.8 |
| Golden Horse | 138 | 122 | 68 | 57 | 49.3 | 46.7 |
| Garden Route | 71 | 69 | 31 | 31 | 43.7 | 44.9 |
| Goldfields | 64 | 59 | 29 | 27 | 45.3 | 45.8 |
| Blackrock | 59 | 52 | 22 | 18 | 37.3 | 34.6 |
| Caledon | 59 | 57 | 16 | 14 | 27.1 | 24.6 |
| Mykonos | 57 | 58 | 23 | 25 | 40.4 | 43.1 |
| Other gaming operations | 49 | 51 | (76) | (60) | n/a | n/a |
| Total gaming operations | 3 439 | 3 281 | 1 338 | 1 259 | 38.9 | 38.4 |
| South African hotels division* | 779 | 859 | 214 | 309 | 27.5 | 36.0 |
| Offshore hotels division | 153 | 126 | 63 | 29 | 41.2 | 23.0 |
| <i>Pre-foreign exchange gains</i> | | | 43 | 34 | 28.1 | 26.9 |
| <i>Foreign exchange gains/(losses)</i> | | | 20 | (5) | | |
| Corporate | (15) | (17) | 4 | 5 | | |
| Group | 4 356 | 4 249 | 1 619 | 1 602 | 37.2 | 37.7 |

Note: All casino units are reported pre-internal gaming management fees

GRR operations based on management accounts

* Includes R14.6m (2010 : R17.6m) inter-group management fees



TSOGO SUN GROUP
Hotels, Gaming & Entertainment

Key Strategic Issues

Gaming



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Gauteng Gaming Tax

| Growth in Gaming win (%) | Gauteng | Montecasino | Gold Reef City | Silverstar |
|-----------------------------------|------------|-------------|----------------|--------------|
| Calendar years | | | | |
| 2000 Monte vs Sundome | 25.0 | (4.9) | | |
| 2001 Other casinos opened | 5.8 | 20.9 | | |
| 2002 | 13.9 | 16.5 | | |
| 2003 | 11.0 | 9.6 | | |
| 2004 | 18.9 | 15.5 | | |
| 2005 | 11.1 | 13.2 | | |
| 2006 | 14.9 | 14.5 | | |
| 2007 | 13.1 | 12.6 | | |
| 2008 Silverstar opened | 7.8 | (6.8) | (1.0) | * |
| 2009 | (0.9) | 0.5 | (1.3) | 7.4 |
| 2010 | 1.1 | 2.0 | (3.6) | 0.6 |
| 12 months to March 2011 | 2.3 | 5.7 | 0.4 | 1.6 |
| 6 months to September 2011 | 3.3 | 7.3 | 8.4 | (1.8) |



KZN Gaming Tax

| Growth in Gaming win (%) | KwaZulu-Natal | Suncoast | Golden Horse | Newcastle |
|-----------------------------------|---------------|------------|--------------|-------------|
| Calendar years | | | | |
| 2004 | 24.5 | 37.3 | | |
| 2005 | 24.7 | 22.5 | | |
| 2006 | 16.2 | 15.1 | | |
| 2007 | 19.6 | 15.6 | | |
| 2008 | 6.9 | 8.3 | | |
| 2009 | 4.6 | 5.0 | 1.4 | 5.5 |
| 2010 | 4.4 | 4.6 | 4.1 | 10.1 |
| 12 months to March 2011 | 5.2 | 5.4 | 3.0 | 6.4 |
| 6 months to September 2011 | 8.0 | 5.1 | 12.7 | 11.4 |



Other Gaming Tax

| Growth in Gaming win (%) | Province | Unit | Unit | Unit |
|----------------------------|--------------|-------------|-----------|--------------|
| 6 Months to September 2011 | Mpumalanga | Ridge | Emnotweni | |
| | 8.1 | 6.7 | 6.6 | |
| | Western Cape | Caledon | Mykonos | Garden Route |
| | 4.2 | 8.7 | (1.0) | 2.4 |
| | Eastern Cape | Hemingways | Queens | |
| | 0.3 | 4.2 | 5.4 | |
| | Free State | Gold Fields | | |
| | 11.9 | 10.3 | | |



Key Strategic Issues - Gaming

■ Montecasino

- Satisfactory trading
- Good privé support
- Bok town, Teatro and events attracting strong footfall

■ Gold Reef City

- Tables capacity issues addressed

■ Silverstar

- Need footfall drivers
- Need improved design for the target market
- Redesign and re-launch planned

■ Suncoast

- Additional 120 slots and 14 tables approved
- 24 slots and 6 tables installed, balance on council approval of interior building plans
- Additional effective 30% acquired for R1bn from Johnnic in 2009
 - Potential Agterskot of up to R330m plus interest, with nil payable for F'10, R24m for F'11 and F'12 unknown as based on casino win growth to year end.
 - Difference to be released to Income in F'12 and adjusted
- Additional 16.5% effective acquired for R510m subject to Gaming Board approval.



Key Strategic Issues - Gaming



■ Hemingways

- New licence issued April 2011, effective September 2011
- ONLY Eastern cape licences expire
- Ownership diluted to 65%
- New investment R400m
 - R150m from TS Emonti cash on hand
 - R250m from TSH treasury loan
- Expand hotel by 41 rooms
- New Pavilion conference and banquet area
- New and expanded casino floor



Key Strategic Issues

Hotels



TSOGO SUN GROUP
Hotels, Gaming & Entertainment

Hotels – Portfolio Philosophy

Land

Building

Operations

Management

Branding

- Ideally own all components – Southern Sun strategic advantage in scale
- Lease building on long term basis if Tsogo can't own – but lose terminal value growth
- In SA only manage if strategically important and no option to own – low capital
- Offshore – management contracts are a low risk option to enter new markets
- Not a franchisor – control the brand



Portfolio of Brands

Deluxe

Premier

**Economy/
Economy
Plus**

Budget

**Timeshare &
Resorts**

Offshore

BH
BEVERLY HILLS
HOTEL

 Southern Sun

Garden
Court
SOUTHERN SUN

HOTEL
FORMULE1


Southern Sun
LIFESTYLE RESORTS

 Southern Sun




SUN
SQUARE


THE CALEDON
CASINO | HOTEL | SPA

AlManzil
HOTEL

SANDTON SUN 

stayeasy
BY SOUTHERN SUN

Oamardeen
HOTEL

 INTERCONTINENTAL.
JOHANNESBURG SANDTON TOWERS

Paradise Sun
prasin seychelles

 INTERCONTINENTAL.
JOHANNESBURG O.R. TAMBO AIRPORT

M A I A



TSOGO SUN GROUP
Hotels, Gaming & Entertainment

Owned and Managed

| | Hotels | Rooms | Owned | Managed |
|----------------------|-----------|---------------|---------------|--------------|
| Deluxe | 5 | 1 037 | 334 | 703 |
| Premier | 20 | 4 284 | 3 606 | 678 |
| Economy/Economy Plus | 28 | 5 159 | 3 863 | 1 296 |
| Budget (F1) | 24 | 1 668 | 1 668 | - |
| Timeshare & Resorts | 8 | 1 242 | 414 | 828 |
| South Africa | 85 | 13 390 | 9 885 | 3 505 |
| Offshore | 9 | 1 325 | 747 | 578 |
| Total | 94 | 14 715 | 10 632 | 4 083 |

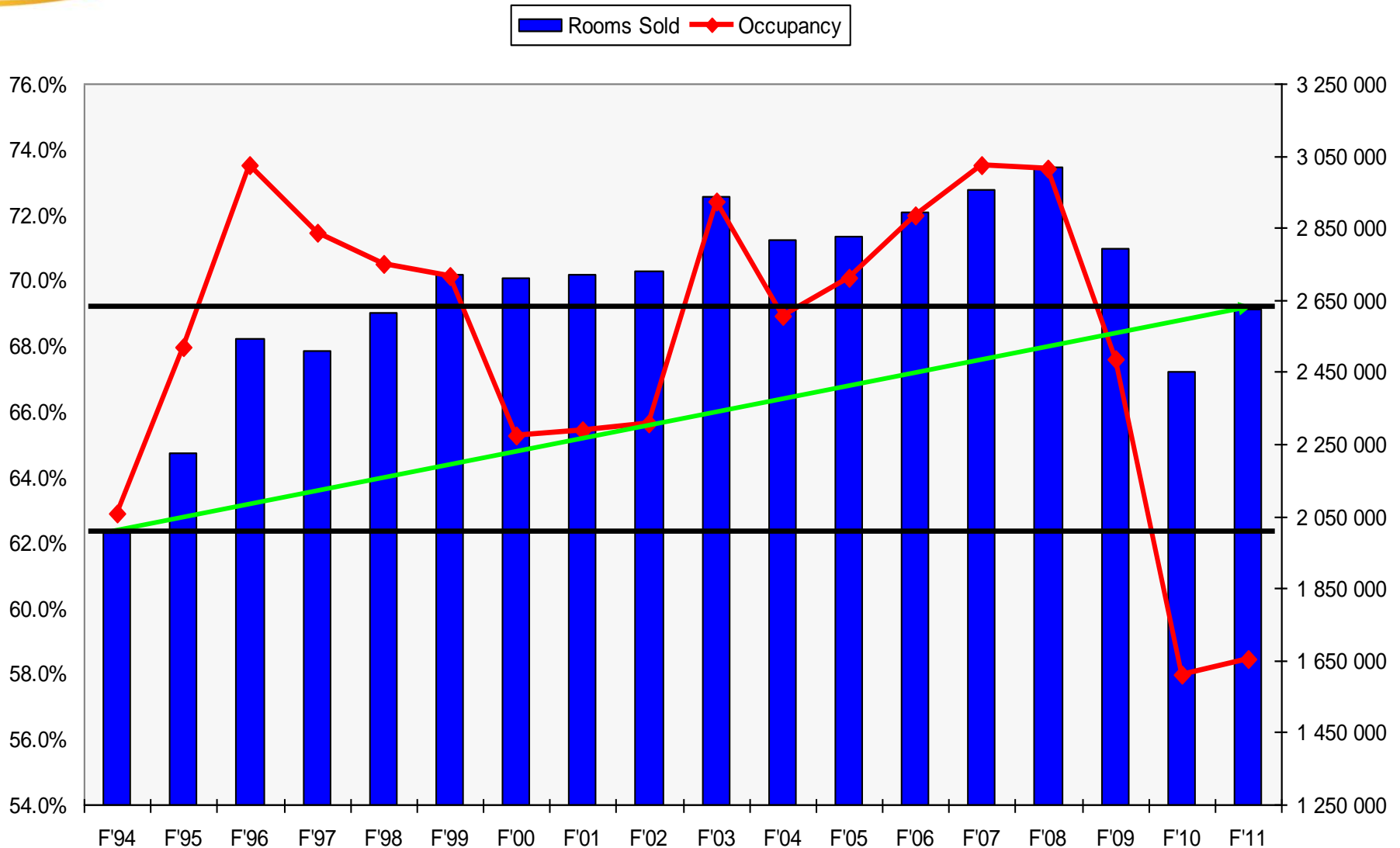
Owned includes leased hotels, gaming hotels and associates hotels

Associates are equity accounted not consolidated –
Formule 1 and Maia

| Owned Stats | H1 F'12 | H1 F'11 |
|------------------------------|---------|---------|
| Occupancy (%) | 59.5 | 58.5 |
| Average Rate (R) | 786 | 917 |
| Room nights available ('000) | 1 662 | 1 585 |
| Room nights sold ('000) | 989 | 927 |
| Room Revenue (Rm) | 777 | 850 |



SA System-wide Rooms Sold Annual History



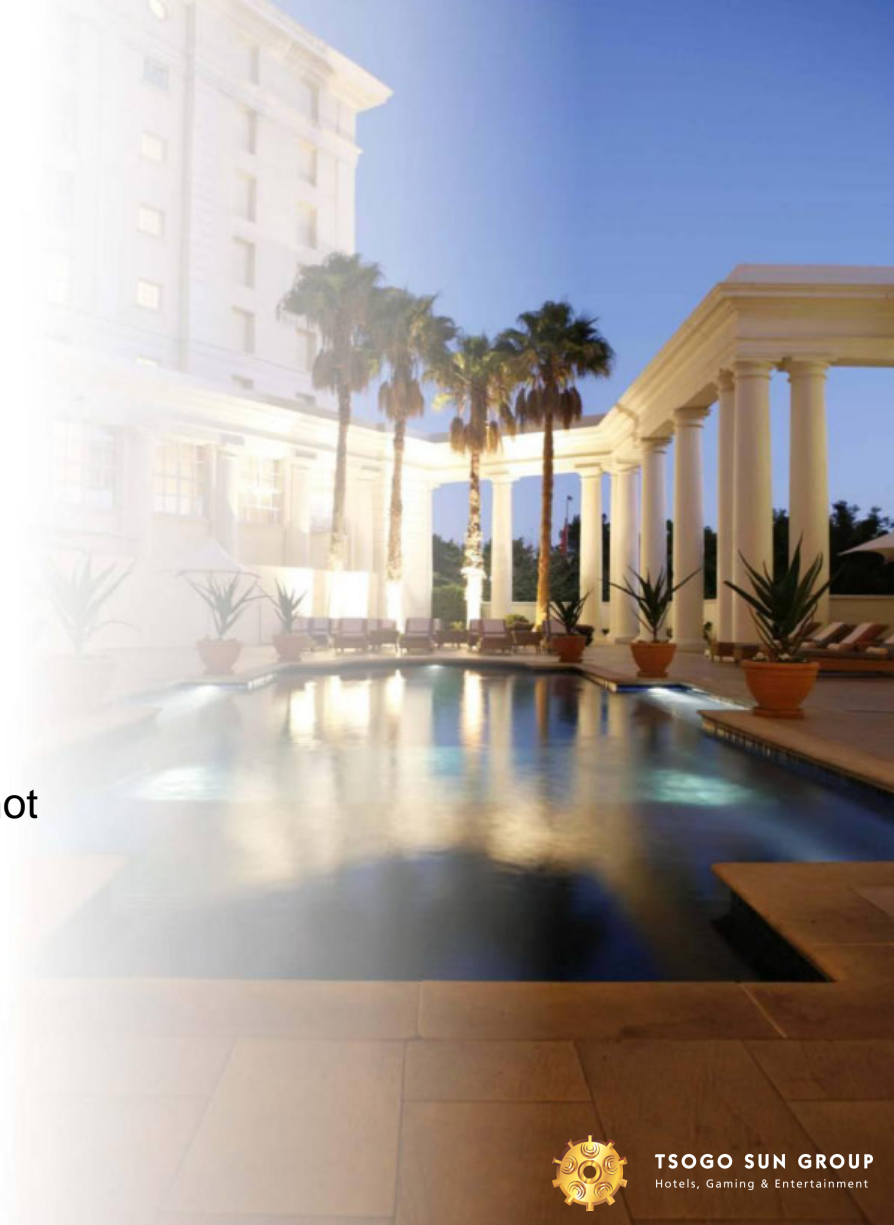
Key Strategic Issues : Hotels – South Africa

- Corporate business is still weak
- Good growth in government and leisure segments
- Comparative to prior period affected by SWC in 2010.
 - Stable occupancy
 - Lower Average Room Rate
- Group trading at substantial RevPar premiums to the market in 3, 4 and 5 star sector
 - Better product
 - Better distribution
 - Better sales and marketing
- Strong growth in earnings requires strong recovery in the corporate segment



Key Strategic Issues : Hotels – South Africa

- Distressed assets present an opportunity
- Ex Grace Hotel
 - Purchased R85m
 - Office component R30m (10% yield)
 - 73 Rooms
- Principles when pursuing distressed assets
 - Must fit core group product
 - Must be a long-term viable business
 - Cheap relative to replacement cost is not good enough



Key Strategic Issues : Hotels – Offshore



- Pursuit of management contracts continues – low risk entry to new markets
- Africa hotels strong in US\$ (occupancies H1 F'12 : 71.6%, H1 F'11 : 66.3%)
- Currency positive impact to trading in H1 F'12, due to Rand weakness against US\$ and Euro exchange rates
- Forex gain R20m (H1 F'11 loss R5m) on cash and monetary items denominated in US\$ and Euro



Financial Overview



TSOGO SUN GROUP
Hotels, Gaming & Entertainment

Group – Income Statement (Rm)

| | H1 F'12 Actual | H1 F'11 Actual | H1 F'11 Adjusted | % Change on Adjusted | FY F'11 |
|---------------------------|-------------------|-------------------|---------------------|-------------------------|--------------|
| Group income | 4 356 | 3 156 | 4 249 | 3 | 6 487 |
| Revenue | | | | | |
| Rooms | 777 | 850 | 861 | (10) | 1 591 |
| F&B | 341 | 321 | 340 | - | 677 |
| Other | 275 | 211 | 268 | 3 | 415 |
| Gaming win | 2 963 | 1 774 | 2 780 | 7 | 3 804 |
| EBITDAR | 1 619 | 1 212 | 1 602 | 1 | 2 510 |
| Gaming | 1 338 | 869 | 1 259 | 6 | 1 863 |
| Hotels – SA | 214 | 309 | 309 | (31) | 562 |
| – Offshore | 43 | 34 | 34 | 26 | 75 |
| Forex | 20 | (5) | (5) | | (7) |
| Corporate | 4 | 5 | 5 | | 17 |
| EBITDAR margin (%) | 37.2 | 38.4 | 37.7 | (0.5)pp | 38.7 |

Adjusted - includes Gold Reef based on management accounts



Group – Income Statement (Rm)

| | H1 F'12 Actual | H1 F'11 Actual | H1 F'11 Adjusted | % Change on Adjusted | FY F'11 |
|------------------------------|-------------------|-------------------|---------------------|-------------------------|--------------|
| EBITDAR | 1 619 | 1 212 | 1 602 | 1 | 2 510 |
| LTI costs | (33) | (3) | (6) | | 13 |
| Rentals | (95) | (82) | (85) | (12) | (171) |
| Depreciation & amortisation | (321) | (227) | (328) | 2 | (447) |
| Exceptional items | 4 | (17) | (36) | | (420) |
| Finance costs | (209) | (208) | (268) | 22 | (391) |
| Associates and JVs | 3 | 34 | 6 | | 79 |
| Tax — normal | (283) | (206) | (272) | (4) | (428) |
| — STC | (67) | (2) | (18) | | (12) |
| Non-controlling interests | (65) | (53) | (58) | (12) | (127) |
| Attributable earnings | 553 | 448 | 537 | 3 | 606 |
| Adjustments | (3) | 15 | 33 | | 400 |
| Adjusted earnings | 550 | 463 | 570 | (4) | 1 006 |

Adjusted - includes Gold Reef based on management accounts



Adjusted HEPS (Rm)

| | H1 F'12 | H1 F'11 | % Change | FY F'11 |
|--------------------------------------|-------------|-------------|------------|--------------|
| Attributable earnings | 553 | 448 | 23 | 606 |
| Capital asset disposal profits | (3) | (4) | | (5) |
| FV adjustment of GRR | - | - | | 299 |
| Impairment of PPE (Grayston) | - | - | | 8 |
| Headline earnings | 550 | 444 | 24 | 908 |
| Pre-opening costs | - | 5 | | 7 |
| Debt break costs (Associate) | - | (3) | | (3) |
| CBS loan impairment | - | 3 | | 3 |
| GRR transaction costs | - | 14 | | 83 |
| Lease termination costs (Grayston) | - | - | | 8 |
| Adjusted headline earnings | 550 | 463 | 19 | 1 006 |
| Weighted no of shares in issue (m) | 1 097 | 888 | 24 | 906 |
| Headline EPS (cents) | 50.1 | 50.0 | - | 100.2 |
| Adjusted Headline EPS (cents) | 50.1 | 52.1 | (4) | 111.1 |

Note : STC impact year-on-year for the period ended 30 September 2011 is 5.9c per share



Group Cash Flow (Rm)

| | H1 F'12 | H1 F'11 | FY F'11 |
|-------------------------------------|----------------|----------------|----------------|
| Cash flow generated from operations | 1 503 | 1 145 | 2 381 |
| Merger costs | - | 11 | (93) |
| Dividends received | 5 | 48 | 57 |
| Cash flow from operations | 1 508 | 1 204 | 2 345 |
| Interest paid (net) | (222) | (165) | (393) |
| Taxation – normal | (301) | (282) | (457) |
| – STC | (55) | - | (7) |
| Maintenance capex | (195) | (131) | (233) |
| Free cash flow | 735 | 626 | 1 255 |
| Ordinary dividends paid | (548) | - | - |
| Non-controlling interests dividends | (36) | (4) | (23) |
| Disposal proceeds | 8 | 11 | 13 |
| Investment activities (net) | (47) | (84) | (110) |
| Non-controlling interests payments | - | (2) | (3) |
| Increase in share scheme loans | (1) | - | - |
| Net cash surplus | 111 | 547 | 1 132 |
| Currency | 28 | (3) | (5) |
| Move in Net IBD | 139 | 544 | 1 127 |
| Opening net IBD | (4 154) | (4 467) | (4 467) |
| Acquired with acquisitions | - | - | (814) |
| Closing net IBD | (4 015) | (3 923) | (4 154) |



Investment Activities

| | H1 F'12 | H1 F'11 | FY F'11 |
|--|------------|------------|------------|
| Acquisitions | | | |
| Millennium contingency part settlement | 24 | - | - |
| Expansion Capex | | | |
| The Pivot development | - | 79 | 86 |
| Hemingways bid/expansion | 14 | 7 | 13 |
| SE Pretoria | 11 | - | - |
| Other net investments | (2) | (2) | 11 |
| | 47 | 84 | 110 |
| Maintenance Capex | 195 | 131 | 233 |
| Spend | 242 | 215 | 343 |



Interest Bearing Debt (Rm)

| | H1 F'12 | H1 F'11 | FY F'11 |
|---------------------------------------|--------------|--------------|--------------|
| Non-controlling interests funding | 99 | 99 | 99 |
| Preference funding | 1 000 | 1 000 | 1 000 |
| External debt (amortising and bullet) | 3 900 | 3 282 | 4 011 |
| Gross IBD | 4 999 | 4 381 | 5 110 |
| Cash on hand | (984) | (418) | (956) |
| Net IBD | 4 015 | 3 963 | 4 154 |

Dividend of R548m (50c per share) declared post F'11 year end

Dividend of R220m (20c per share) declared November 2011

| | | | |
|------------------------|------|------|------|
| Cost of debt — pre tax | 9.7% | 9.5% | 9.2% |
| — post tax | 7.5% | 7.5% | 7.2% |



Future Prospects



TSOGO SUN GROUP
Hotels, Gaming & Entertainment

Future Prospects

- **Group**
 - Strong cash generation
 - Growth opportunities still being pursued
- **Gaming**
 - Gaming win growth – medium term outlook positive
 - Need consumers to get wealthier and, more importantly, feel wealthier
 - Regulatory issues remain a threat
 - Site developments
 - Hemingways
 - Silverstar
 - Internet Gaming – subject to regulations
- **Hotels**
 - Occupancy and rate still under pressure until corporate demand recovers
 - Focus on customer satisfaction and brand awareness
 - Opportunistic in SA – Land bank, acquire leases, new builds and acquisitions
 - Continued pursuit of offshore expansion



Thank you 



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