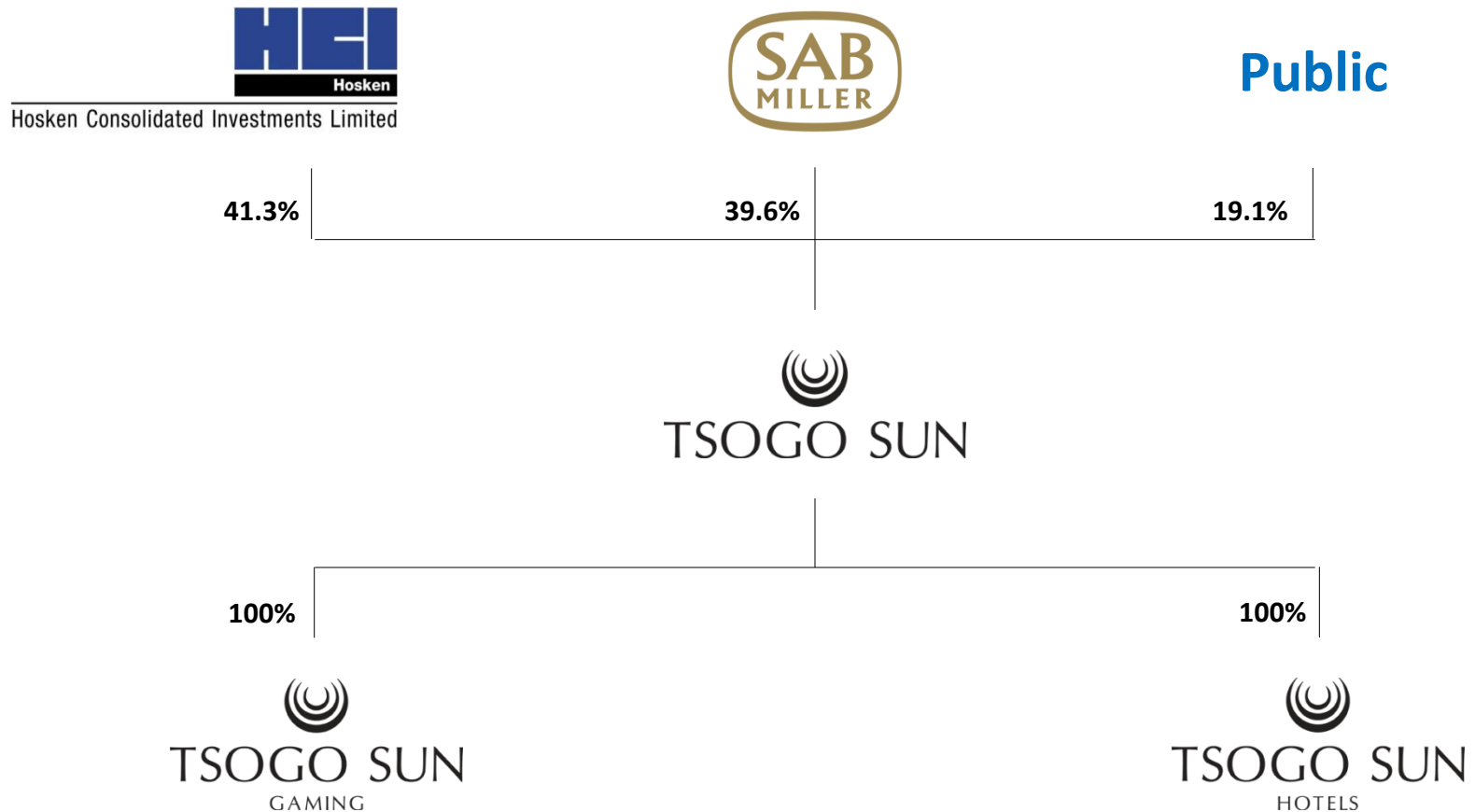




Presentation to:
Analysts and Investors
May 2013

Group Structure



Gaming Portfolio



Gauteng

KZN

Western Cape

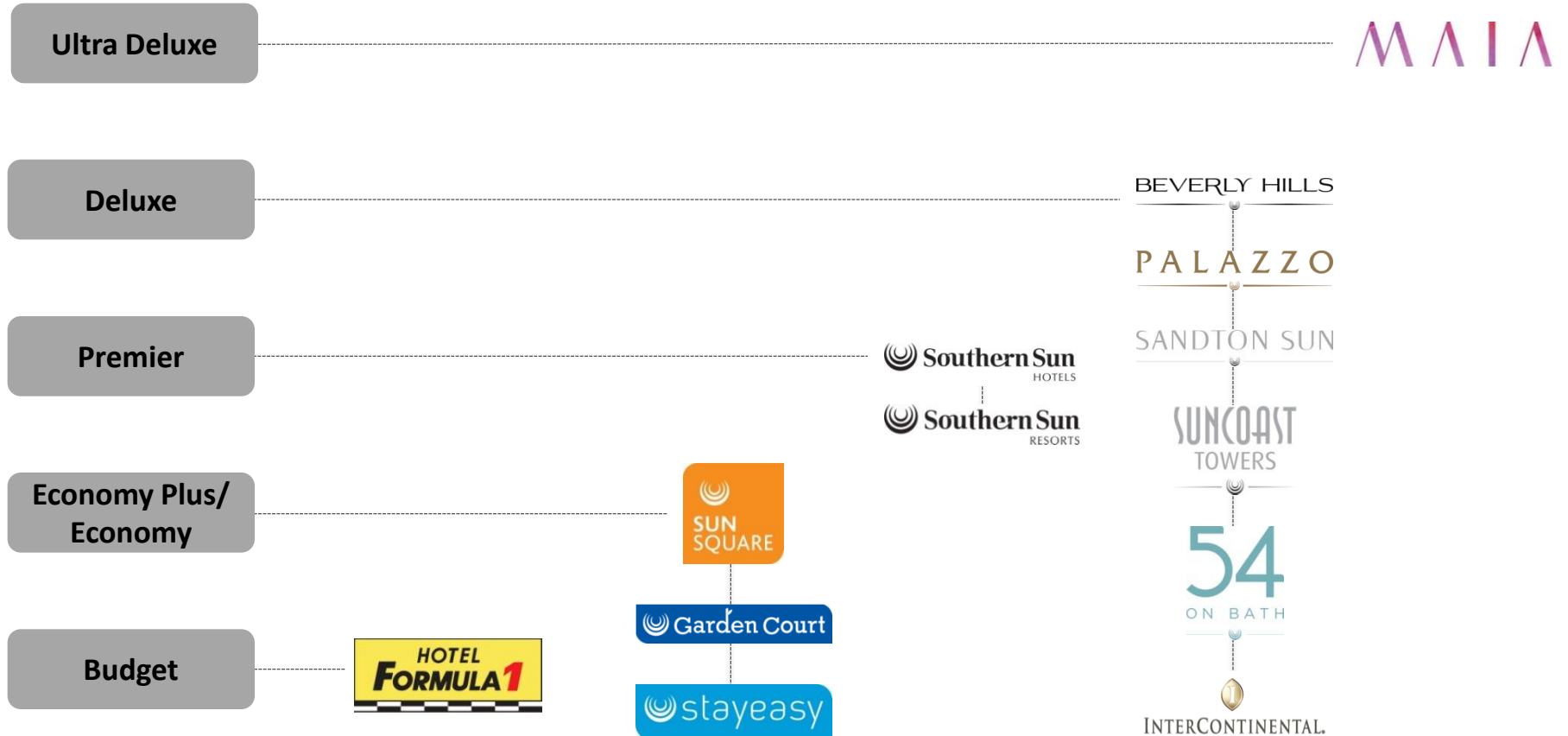
Mpumalanga

Eastern Cape

Free State



Hotel Portfolio



Management and Board

- **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
 - Elias Mphande
 - Meyer Kahn (resigned w.e.f. 31 March 2013)
 - Graham Mackay
 - Jamie Wilson (appointed w.e.f. 2 April 2013)
 - Malcolm Wyman
 - Rex Tomlinson
 - Jabu Ngcobo
 - Yunis Shaik



Management and 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

● Hotels

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



Segmental Analysis

 **TSOGO SUN**

Group – Revenue and Ebitdar (Rm)

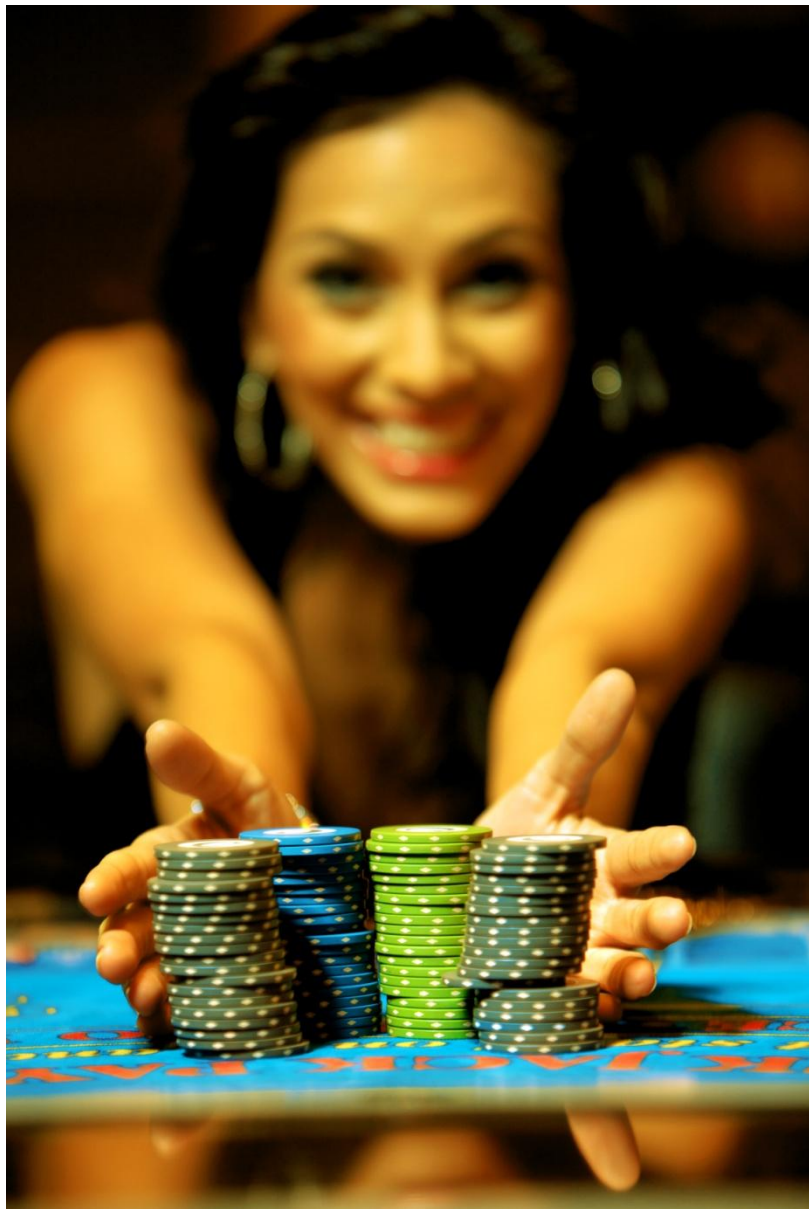
	F'13	F'12	% Change
Revenue			
Gaming	7 648	7 113	8
Net gaming win	6 525	6 111	7
Other	1 123	1 002	12
Hotels SA	1 937	1 625	19
Hotels Offshore	361	324	11
Corporate (intra-group-elimination)	(36)	(31)	*
Total Group	9 910	9 031	10
Ebitdar			
Gaming	3 138	2 886	9
Hotels SA	615	512	20
Hotels Offshore	93	88	6
Corporate	5	2	*
Forex gains	37	13	*
Total Group	3 888	3 501	11

Tsogo Sun Segmental (Rm)

	Income		Ebitdar		Ebitdar Margin	
	F'13	F'12	F'13	F'12	F'13	F'12
Montecasino	2 266	2 107	1 026	901	45.3	42.8
Suncoast	1 440	1 313	692	634	48.1	48.3
Gold Reef City	1 218	1 162	479	462	39.3	39.8
Silverstar	602	557	237	207	39.4	37.2
The Ridge	387	357	187	171	48.3	47.9
Emnotweni	319	292	147	130	46.1	44.5
Golden Horse	303	287	150	144	49.5	50.2
Hemingways	303	285	125	122	41.3	42.8
Garden Route	173	155	76	70	43.9	45.2
Goldfields	136	131	60	59	44.1	45.0
Blackrock	135	123	53	48	39.3	39.0
Mykonos	134	120	59	52	44.0	43.3
The Caledon	128	123	32	36	25.0	29.3
Other gaming operations	104	101	(185)	(150)		
Total gaming operations	7 648	7 113	3 138	2 886	41.0	40.6
South African hotels division ⁽¹⁾	1 937	1 625	615	512	31.8	31.5
Offshore hotels division	361	324	130	101	36.0	31.2
<i>Pre-foreign exchange</i>			93	88	25.8	27.2
<i>Foreign exchange gains</i>			37	13		
Corporate	(36)	(31)	5	2		
Group	9 910	9 031	3 888	3 501	39.2	38.8

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

⁽¹⁾ Includes R39m (F'12 : R31m) inter-group management fees



Key Strategic Issues

Gaming

Key Strategic Issues - Gaming

■ Expansion programme for Gauteng casino properties

- R150m paid to the Gauteng Gambling Board for charitable or social infrastructural developments
- Commitment to spend R750m on expansion and redevelopment of Silverstar casino and refurbishment and expansion of the Gold Reef City casino and Theme Park
- Gauteng Gambling Board approved an additional 1 500 gaming positions



■ Montecasino

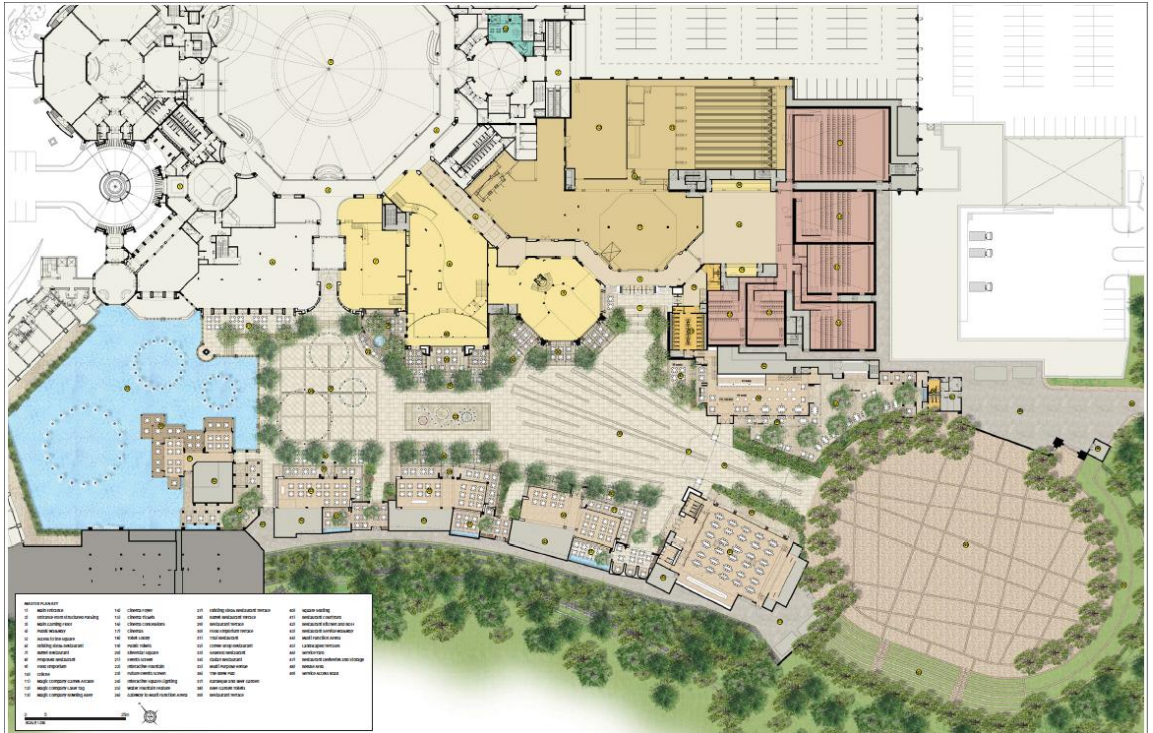
- Additional 700 gaming positions approved
- Entertainment offerings continuously improved including tenant refurbishment
- 3Sixty° Liquid Lounge opened
- Boktown, Teatro and events continue to attract footfall



Key Strategic Issues - Gaming

■ Silverstar

- Additional 400 gaming positions approved
- Need improved offering for the target market
- R480m redevelopment including additional dining options, outdoor events area, cinemas, ten-pin bowling alley, laser tag games, expanded casino offering and parking
- Margin improvement through cost efficiencies



Key Strategic Issues - Gaming

■ Gold Reef City

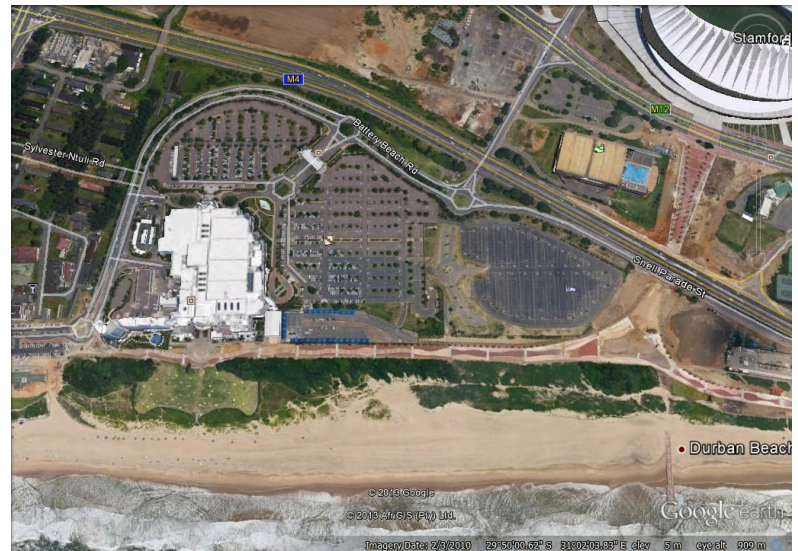
- Additional 400 gaming positions approved
- R270m refurbishment and expansion including casino offering, cinemas and additional restaurants at the casino and additional food and beverage outlets and improved access systems at the Theme Park with an improved linkage to the casino complex
- Mine Museum still to be relocated if mine water keeps rising
- Theme Park turnaround
- Cost efficiency



Key Strategic Issues - Gaming

■ Suncoast

- Additional 120 slots and 14 tables approved
- 120 slots and 6 tables installed, balance on council approval of interior building plans
- Acquisition of minorities
 - Agreement reached with 89% of outstanding shareholders in Durban Add-Ventures Ltd and 100% in Adventure World Management (Pty) Ltd for the acquisition of the remaining 10% effective interest in Suncoast
 - Transaction approved by KwaZulu-Natal Gambling Board on 10 May 2013
- Large scale expansion required in medium term



Key Strategic Issues - Gaming

■ Hemingways

- New investment of R400m
 - Expand hotel by 41 rooms
 - New Pavilion conference and banquet area
 - New and expanded casino floor
- Work largely completed and R329m spent by end March 2013
- Residual payments due will be made in F'14



Key Strategic Issues - Gaming

■ Emnotweni

- Expansion programme with spend of R200m
 - Casino refurbishment including additional positions
 - Conference and events area
 - Restaurants
 - Additional parking



Key Strategic Issues - Gaming

▪ Blackrock

- KwaZulu-Natal Gambling Board granted application for additional 50 slot machines and 3 tables
- CSI contribution of R2m
- Expansion of Garden Court Blackrock by an additional 40 rooms

▪ Other Units

- Good Ebitdar growth at The Ridge, Emnotweni, Garden Route, Blackrock and Mykonos
- Golden Horse hotel will be managed in-house from 1 May 2013 and branded Southern Sun Pietermaritzburg
- Centralisation of certain functions



Gaming Win (Rm)

	F'13	F'12	% Change
Gaming win			
Tables	1 349	1 336	1.0
Slots	5 176	4 775	8.4
	6 525	6 111	6.8
Drop/hold % – tables	21.3	22.9	
Handle/win % – slots	5.3	5.4	

	F'13	F'12	% Change
Gauteng	3 434	3 259	5.4
KwaZulu-Natal	1 735	1 590	9.1
Mpumalanga	570	527	8.2
Western Cape	396	367	7.9
Other	390	368	6.0
	6 525	6 111	6.8

Gauteng Gaming Tax Revenues

Growth in Gaming win (%)	Gauteng	Monte-casino	Gold Reef City	Silver-star
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	7.8	(6.8)	(1.0)	*
2009	(0.9)	0.5	(1.3)	7.4
2010	1.1	2.0	(3.6)	0.6
2011	4.1	7.8	8.8	0.5
2012	7.2	8.0	7.5	4.2
12 months to March 2013	6.7	7.1	3.5	7.2
6 months to September 2012	6.8	7.2	6.1	5.0
6 months to March 2013	6.6	7.0	1.1	9.5

Note: Gaming stats differ to accounting due to timing and IFRS

KZN Gaming Tax Revenues

Growth in Gaming win (%)	KwaZulu-Natal	Suncoast	Golden Horse	Blackrock
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
2011	7.3	5.3	9.2	10.8
2012	10.0	10.8	8.9	11.6
12 months to March 2013	9.8	11.2	5.5	11.0
6 months to September 2012	11.7	12.4	9.7	10.5
6 months to March 2013	8.1	10.1	1.6	11.4

Note: Gaming stats differ to accounting due to timing and IFRS

Other Gaming Tax Revenues

Growth in Gaming win (%)	Province	Unit	Unit	Unit
	Mpumalanga	Ridge	Emnotweni	
12 months to March 2013	7.6	6.9	8.4	
6 months to September 2012	9.7	10.9	10.1	
6 months to March 2013	5.7	3.1	6.9	
	Western Cape	The Caledon	Mykonos	Garden Route
12 months to March 2013	5.5	3.9	12.0	8.7
6 months to September 2012	7.7	5.3	10.2	5.2
6 months to March 2013	3.5	2.7	13.6	11.8
	Eastern Cape	Hemingways	Queens	
12 months to March 2013	10.7	7.8	9.2	
6 months to September 2012	11.3	6.6	15.0	
6 months to March 2013	10.1	8.9	3.9	
	Free State	Gold Fields		
12 months to March 2013	6.4	3.2		
6 months to September 2012	9.9	3.5		
6 months to March 2013	3.2	2.9		

Note: Gaming stats differ to accounting due to timing and IFRS



Key Strategic Issues

Hotels

Hotels – Portfolio Philosophy



- Ideally own all components
 - Tsogo Sun Hotels strategic advantage in scale
 - More capital intensive but allows substantially higher return on effort
 - Retains control of the assets providing extended tenure and resilience
- Lease building on long term basis if Tsogo can't own – but lose growth of property value
- In SA only manage if strategically important and no option to own or lease
- Offshore – management contracts are a low risk option to enter new markets
- Not a franchisor of our own brands but will operate hotels as franchisee where necessary

Owned and Managed

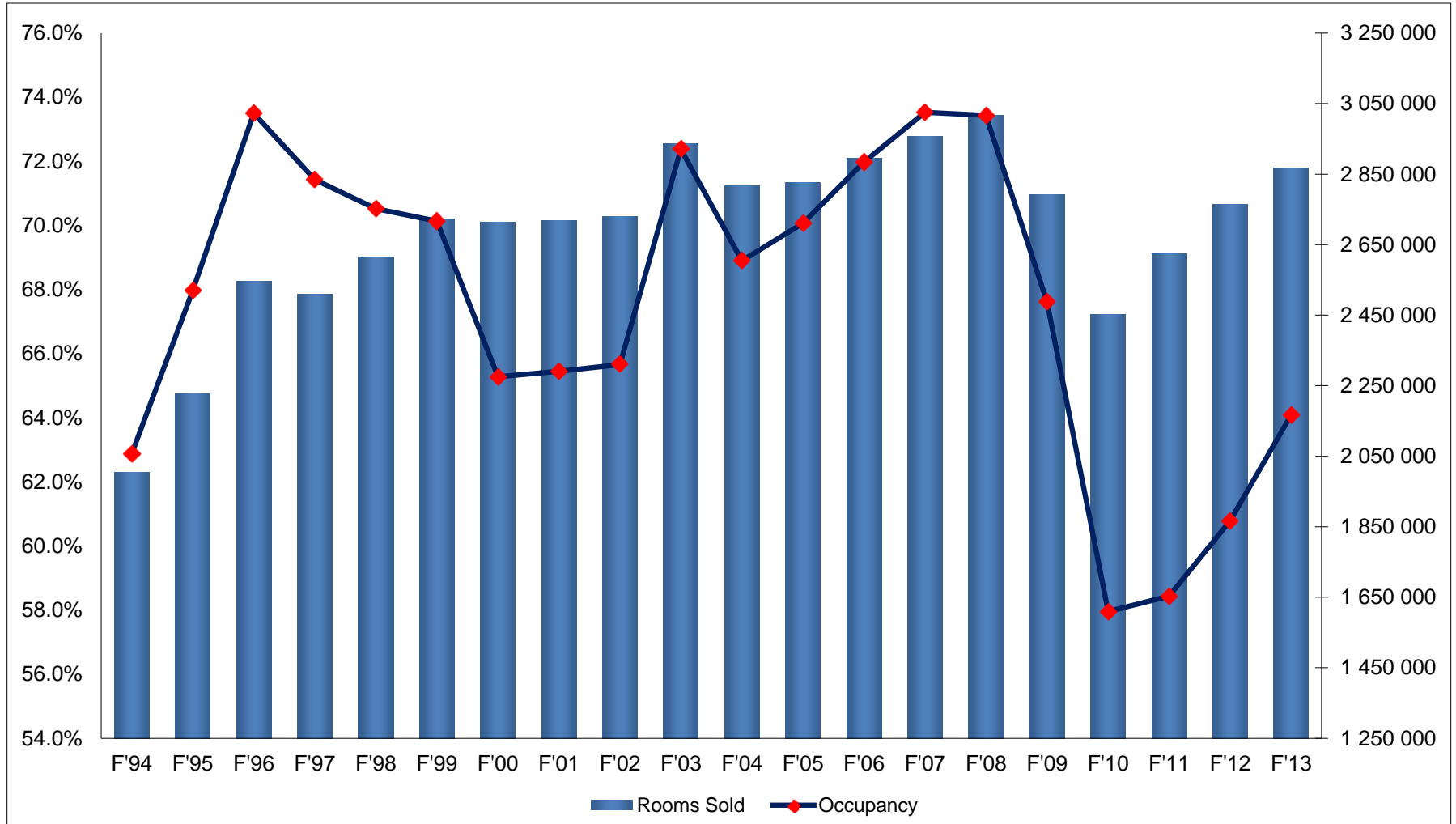
	Hotels	Rooms	Owned	Managed
Deluxe	6	1 113	410	703
Premier	19	4 191	3 513	678
Economy/Economy Plus	29	5 120	3 824	1 296
Budget (F1)	23	1 690	1 690	-
Timeshare & Resorts	7	1 161	307	854
South Africa	84	13 275	9 744	3 531
Offshore	8	1 072	746	326
Total revenue	92	14 347	10 490	3 857

Owned includes leased hotels and associates

Associates are equity accounted
not consolidated - Maia

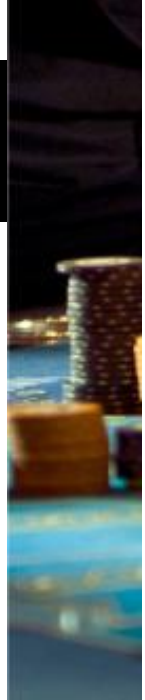
Owned Stats – (SA and Offshore)	F'13	F'12
Occupancy (%)	64.7	61.4
Average rate (R)	782	802
Rooms available ('000)	3 780	3 281
Rooms sold ('000)	2 445	2 014
Rooms revenue	1 914	1 615

SA System-wide Rooms Sold Annual History



Key Strategic Issues : Hotels – South Africa

- Good growth in Corporate Key accounts, Government, Leisure and Sports segments
- Transient Corporate and Group & Convention business remains weak
- Occupancy improvement of 3.2pp for the year
- Average room rates remain constrained with growth of 5% for the year
- For owned properties the increase in occupancy and decline in average rate is impacted by the inclusion of Formula 1
- Group trading at substantial RevPar premiums to the market in 3, 4 and 5 star sectors
 - Better product and guest experience
 - Better distribution
 - Better sales and marketing
- Strong growth in earnings requires strong recovery in the transient Corporate and Group & Convention segments



Key Strategic Issues : Hotels – South Africa

- **Acquisitions still present an opportunity**
 - Principles when pursuing acquisitions
 - Must fit core group product
 - Must be a long-term viable business
 - Cheap relative to replacement cost is not good enough
 - Hotel Formula 1
 - Occupancy improved to 67.1% for the year from 63.0% in the prior year
 - Integrated into the business
 - Southern Sun Hyde Park
 - Acquired property and business for R130m on 1 September 2012. Property transfer concluded on 17 May 2013
 - 54 on Bath
 - Refurbishment completed and opened 8 August 2012
 - Garden Court Mossel Bay
 - Acquired property and business for R20m in August 2012



Key Strategic Issues : Hotels – Offshore

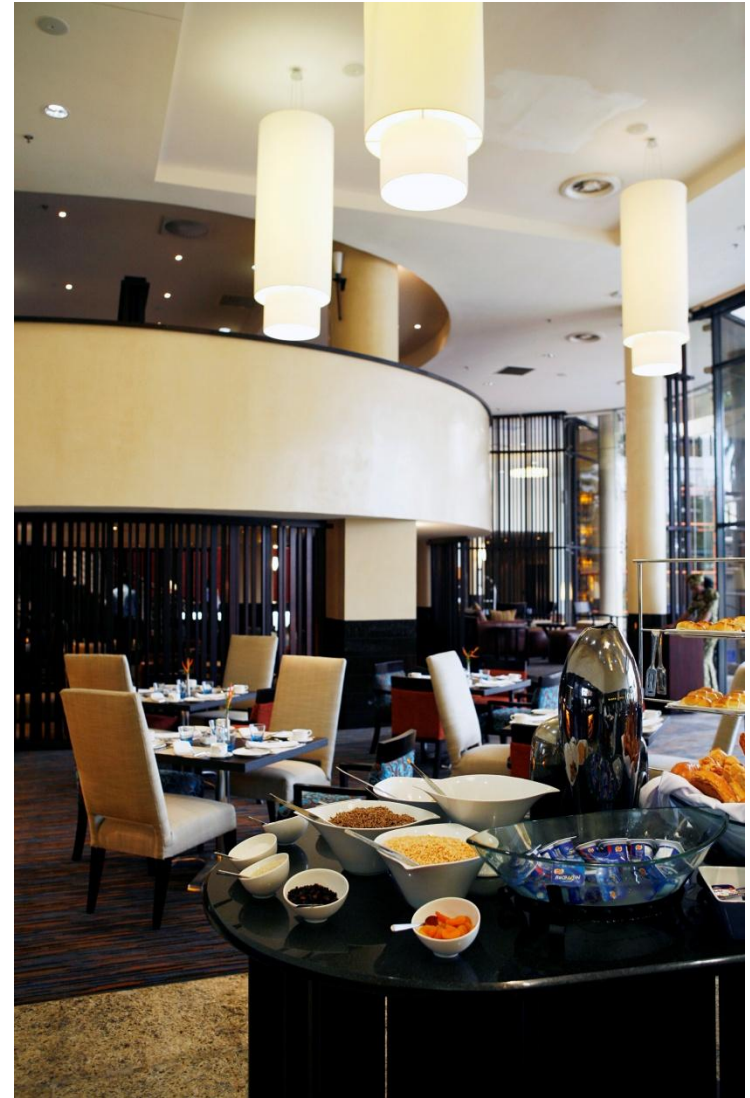


- Africa hotels strong in US\$ (occupancies F'13 : 70.1%, F'12 : 72.2%)
- Currency positive impact to trading due to Rand weakness against US\$ and Euro exchange rates
- Forex gain for F'13 R37m (F'12 R13m) on cash and monetary items denominated in US\$ and Euro
- Looking for expansion in the territories we already operate in. US\$100m investments announced for:–
 - US\$30m expansion of Southern Sun Maputo including the refurbishment of the existing hotel, expansion of the restaurant, 110 new hotel rooms and conferencing facilities
 - Acquisition of approximately 75% of Southern Sun Ikoyi for US\$70m including loan funding, subject to conditions precedent



Ikoyi Hotels Limited

- 195 rooms and suites
- All day dining
- Capacity for expansion
- Includes Golden Gate
- Debt US\$20m – TSH guarantee
- Equity US\$50m – 75%
- F'13 Ebitdar – US\$7.5m



Ikoyi Hotels Limited





Financial Overview

Group – Income Statement (Rm)

	F'13	F'12	% Change
Group income	9 910	9 031	10
Net gaming win	6 525	6 111	7
Revenue			
Rooms	1 914	1 615	19
F&B	869	752	16
Other	602	553	9
Ebitdar	3 888	3 501	11
Gaming	3 138	2 886	9
Hotels – SA	615	512	20
– Offshore ⁽¹⁾	93	88	6
Forex	37	13	*
Corporate	5	2	*
Ebitdar margin (%)	39.2	38.8	0.4pp

⁽¹⁾ Pre-forex

Group – Income Statement (Rm)

	F'13	F'12	% Change
Ebitdar	3 888	3 501	11
LTI costs	(234)	(55)	*
Property rentals	(193)	(190)	(2)
Amortisation & depreciation	(608)	(623)	2
Exceptional items	(19)	385	*
Net finance costs	(385)	(420)	8
Associates and JVs	6	10	*
Tax — normal	(701)	(679)	(3)
— STC	-	(82)	*
Non-controlling interests	(125)	(130)	4
Attributable earnings	1 629	1 717	(5)
Adjustments	20	(384)	*
Adjusted earnings	1 649	1 333	24

Adjusted HEPS (Rm)

	F'13	F'12	% change
Attributable earnings	1 629	1 717	(5)
Capital asset disposal profits	(1)	(2)	
FV adjustment to F1	-	(179)	
Impairment of SSME goodwill	16	-	
JV Impairment (Masa)	-	2	
Impairment of Emnotweni arena (PPE)	9	-	
Headline earnings	1 653	1 538	7
Transaction costs – DAV/AWM	7	-	
CBS loan impairment reversal	(1)	-	
SSME termination fees	(28)	-	
Contingent purchase consideration w/back	-	(248)	
Impairment of loans (Masa/Queens)	5	43	
Pre-opening expenses	4	-	
Restructuring costs	9	-	
Adjusted earnings	1 649	1 333	24
Weighted number of shares in issue (m)	1 097	1 097	-
Headline EPS (cents)	150.7	140.2	7
Adjusted HEPS (cents)	150.3	121.5	24

Note : STC impact year-on-year for the year ended 31 March 2013 is 7.5 cps saving
LTI impact year-on-year for the year ended 31 March 2013 is 16.3 cps cost

Group Cash Flow (Rm)

	F'13	F'12
Ebitdar per income statement	3 888	3 501
Property rentals	(193)	(190)
Ebitda	3 695	3 311
Move in working capital adjusted for non-cash items	54	85
Dividends income from associates	3	5
Cash generated from operations	3 752	3 401
Interest paid (net)	(399)	(455)
Taxation – normal	(840)	(699)
– STC	(2)	(86)
Maintenance capex	(579)	(436)
Free cash flow	1 932	1 725
Ordinary dividends paid	(702)	(768)
Non-controlling interests' dividends	(42)	(48)
Disposal proceeds	6	10
Investment activities (net)	(639)	(1 031)
Share scheme loans	3	(1)
Net cash surplus/(deficit)	558	(113)
Currency	46	19
Move in Net IBD	604	(94)
Opening net IBD	(4 184)	(4 154)
Acquired with acquisitions	-	23
Accrued interest	-	41
Closing net IBD	(3 580)	(4 184)

Investment Activities (Rm)

	F'13 Actual	F'12 Actual
Investments/Loans		
Acquisition of Ripple Effect/Suncoast minority	-	(510)
Ripple Effect minority loan assumed on acquisition	-	99
Formula 1 acquisition	-	(300)
Millennium contingency settlement	(58)	(24)
Expansion capex	(580)	(299)
Hemingways bid/ expansion costs	(231)	(84)
Suncoast expansion	(14)	-
Emnotweni expansion	(18)	-
Montecasino expansion	(70)	-
Gold Reef City redevelopment	(40)	-
Silverstar redevelopment	(62)	-
Garden Route hotel acquisition	(20)	-
Garden Route hotel refurbishment	(5)	-
SS Hyde Park	(65)	-
54 on Bath	(22)	(86)
Mpumalanga bid and land cost	(16)	-
Formula 1 options	(10)	-
Sun Cuisine	(7)	-
GC Milpark	-	(95)
20 St Georges – Cape Sun	-	(23)
SE Pretoria	-	(11)
Other net investments	(1)	3
Investment activities	(639)	(1 031)
Maintenance capex	(579)	(436)
Total investment spend	(1 218)	(1 467)

Interest Bearing Debt (Rm)

	F'13	F'12
Non-controlling interests funding	32	32
Preference funding	-	1 000
External debt (amortising and bullet)	4 298	4 595
Gross IBD	4 330	5 627
Cash on hand	(750)	(1 443)
Net IBD	3 580	4 184

Dividend of R560m (51c per share) declared May 2013, to be paid June 2013

Dividend of R263m (24c per share) declared November 2012, paid December 2012

Cost of debt — pre tax	9.2%	9.5%
— post tax	6.8%	7.5%



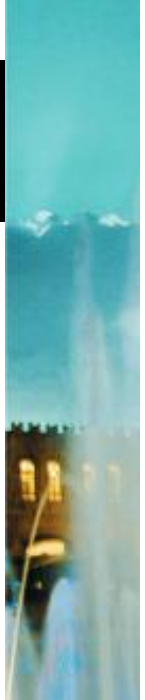
Strategic Priorities

 **TSOGO SUN**

Strategic Priorities

- **Sustainability**

- Beneficiaries
 - Current shareholding and CSI programs are effective
- Financial stability
 - Strong cash flow, low gearing and adequate facilities
 - Own most of our assets
- Product relevance
 - Adequate maintenance capex provided
 - Strong development skills in-house
 - Proactive marketing of products and brands
- Regulatory compliance
 - Day to day compliance excellent
 - High awareness of potential regulatory risks
- Human resources
 - Adequate resources and skills



Strategic Priorities

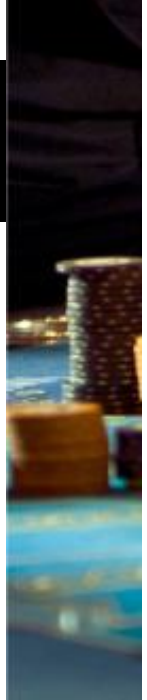
- **Growth**

- Organic

- Significant focus on getting more out of our existing businesses
 - Continued cost focus
 - CRM/BI focus

- Inorganic

- New projects





**Future
Prospects**

 **TSOGO SUN**

Future Prospects

■ Group

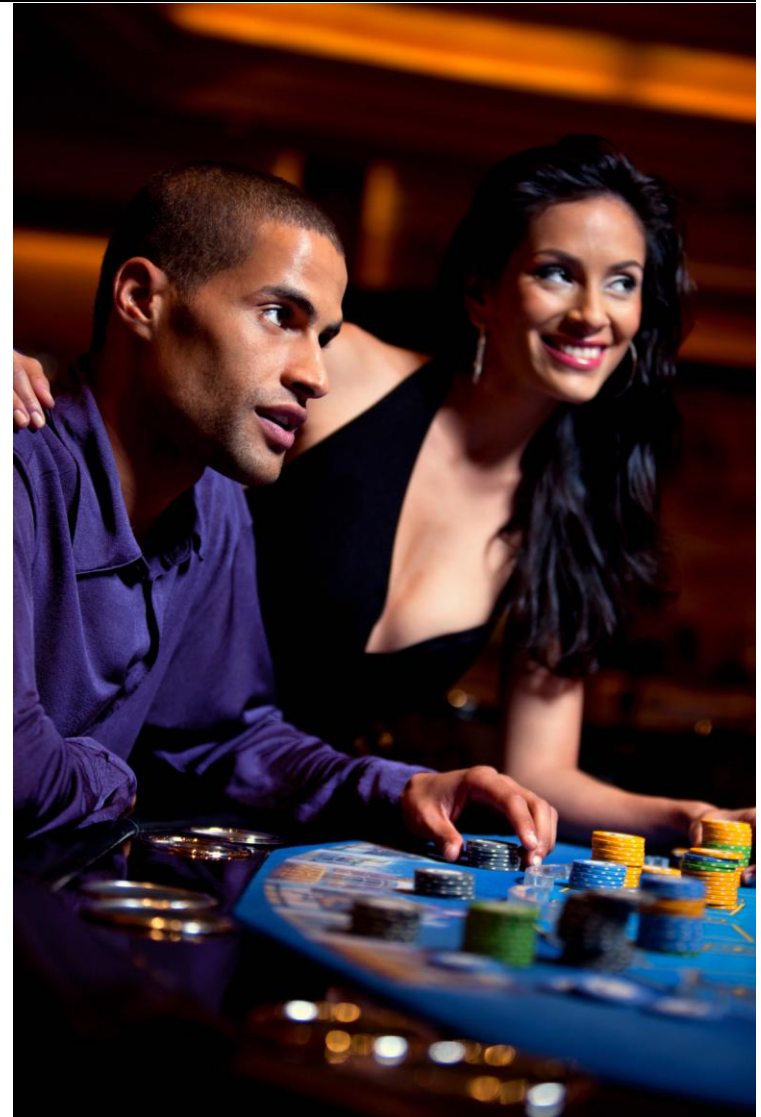
- Strong cash generation
- Growth opportunities still being pursued
- Re-launch loyalty programmes
- Maximise brand value
- Implement Tsogo Academy



Future Prospects

■ Gaming

- Gaming win growth – medium term outlook positive
 - Need consumers to get wealthier and, more importantly, feel wealthier
 - Regulatory issues remain a threat
 - Tax – national/provincial
- Site developments
 - Emnotweni
 - Silverstar
 - Gold Reef City Theme Park
 - Suncoast
 - Blackrock
- Western Cape metropole
- Mpumalanga fourth casino licence



Future Prospects

■ Hotels

- Occupancy and rate still under pressure until transient Corporate and Group and Convention 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
 - Focus on the territories we already operate in





Thank you

