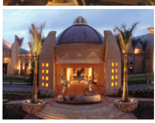
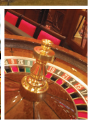
Sun International Limited

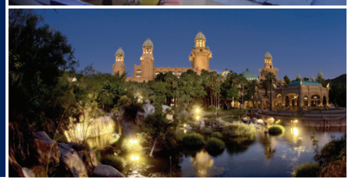




PROFIT AND DIVIDEND ANNOUNCEMENT

for the year ended

30 June 2013



highlights

REVENUE UP

+8%

EBITDA UP

+11%

ADJUSTED HEPS UP

+18%

FINAL GROSS DIVIDEND OF

155 cents per share

Sun International

A Million Thrills. One Destination.

Condensed group statements of comprehensive income

for the year ended 30 June

R million	2013 Reviewed	% change	2012 Audited
Revenue			
Casino	**8 195**	7	7 645
Rooms	**957**	14	838
Food, beverage and other	**1 115**	10	1 011
	10 267	8	9 494
Benefit fund surplus	**–**		24
Consumables and services	**(1 130)**		(1 076)
Depreciation and amortisation	**(851)**		(818)
Employee costs	**(2 256)**		(2 103)
Levies and VAT on casino revenue	**(1 917)**		(1 774)
Promotional and marketing costs	**(717)**		(698)
Property and equipment rentals	**(128)**		(95)
Property costs	**(541)**		(485)
Other operational costs	**(831)**		(759)
Operating profit	**1 896**	11	1 710
Foreign exchange profits	**57**		79
Interest income	**31**		37
Interest expense	**(486)**		(521)
Profit before tax	**1 498**	15	1 305
Tax	**(477)**		(434)
Profit for the year	**1 021**	17	871
Other comprehensive income:			
Net profit on cash flow hedges	**3**		–
Tax on net profit on cash flow hedges	**(1)**		–
Transfer of hedging reserve to statements of comprehensive income	**2**		2
Currency translation reserve	**550**		233
Total comprehensive income for the year	**1 575**		1 106

R million	2013 Reviewed	% change	2012 Audited
Profit for the year attributable to:			
Minorities	**314**		239
Ordinary shareholders	**707**		632
	1 021		871
Total comprehensive income for the year attributable to:			
Minorities	**611**		317
Ordinary shareholders	**964**	22	789
	1 575		1 106

	Cents per share		Cents per share
Earnings per share			
– basic	**736**		669
– diluted	**732**	10	664
Dividends per share	**265**		240

Condensed group statements of financial position

at 30 June

R million	2013 Reviewed	2012 Audited
ASSETS		
Non current assets		
Property, plant and equipment	**10 594**	9 595
Intangible assets	**494**	479
Available-for-sale investment	**48**	48
Loans and receivables	**13**	23
Pension fund asset	**29**	38
Deferred tax	**214**	148
	11 392	10 331
Current assets		
Loans and receivables	**52**	38
Tax	**41**	57
Accounts receivable and other	**557**	543
Cash and cash equivalents	**1 023**	752
	1 673	1 390
Total assets	**13 065**	11 721
EQUITY AND LIABILITIES		
Capital and reserves		
Ordinary shareholders' equity	**2 220**	1 496
Minorities' interests	**1 693**	1 227
	3 913	2 723
Non current liabilities		
Deferred tax	**501**	423
Borrowings	**3 512**	4 257
Other non current liabilities	**440**	506
	4 453	5 186
Current liabilities		
Tax	**69**	101
Accounts payable and other	**1 472**	1 289
Borrowings	**3 158**	2 422
	4 699	3 812
Total liabilities	**9 152**	8 998
Total equity and liabilities	**13 065**	11 721

Condensed group statements of cash flows

for the year ended 30 June

R million	2013 Reviewed	2012 Audited
Cash generated by operations before:	**2 912**	2 749
Working capital changes	**168**	(15)
Cash generated by operations	**3 080**	2 734
Tax paid	**(498)**	(531)
Cash generated by operating activities	**2 582**	2 203
Settlement of long services award obligation	**(120)**	–
Net cash generated by operating activities	**2 462**	2 203
Cash utilised in investing activities	**(1 300)**	(1 161)
Cash realised from investing activities	**75**	41
Net cash outflow from financing activities	**(1 031)**	(1 130)
Effect of exchange rates upon cash and cash equivalents	**65**	57
Increase in cash and cash equivalents	**271**	10
Cash and cash equivalents at beginning of the year	**752**	742
Cash and cash equivalents at end of the year	**1 023**	752

Group statements of changes in equity

R million	Share capital and premium	Treasury shares and share options	Foreign currency translation reserve	Share based payment reserve
Reviewed				
FOR THE YEAR ENDED 30 JUNE 2013				
Balance at 30 June 2012	**277**	**(1 600)**	**228**	**161**
Total comprehensive income for the year	–	–	254	–
Treasury share options purchased	–	(34)	–	–
Treasury share options exercised	–	29	–	–
Shares issued	32	–	–	–
Net deemed treasury shares purchased	–	(3)	–	–
Vested shares	–	14	–	(14)
Employee share based payments	–	–	–	46
Release of share based payment reserve	–	–	–	(32)
Release of SFIR equity option reserve	–	–	–	(75)
Delivery of share awards	–	–	–	–
Acquisition of minorities' interests	–	–	–	–
Dividends paid	–	–	–	–
Balance at 30 June 2013	**309**	**(1 594)**	**482**	**86**
Audited				
FOR THE YEAR ENDED 30 JUNE 2012				
Balance at 30 June 2011	**146**	**(1 613)**	**71**	**193**
Total comprehensive income for the year	–	–	157	–
Treasury share options purchased	–	(20)	–	–
Treasury share options exercised	–	61	–	–
Shares issued	131	–	–	–
Deemed treasury shares purchased	–	(72)	–	–
Vested shares	–	44	–	(44)
Employee share based payments	–	–	–	33
Release of share based payment reserve	–	–	–	(21)
Delivery of share awards	–	–	–	–
Acquisition of minorities' interests	–	–	–	–
Dividends paid	–	–	–	–
Balance at 30 June 2012	**277**	**(1 600)**	**228**	**161**

Available-for-sale reserve	Reserve for non-controlling interests	Hedging reserve	Retained earnings	Ordinary share-holders' equity	Minorities' interests	Total equity
4	**(2 206)**	**(2)**	**4 634**	**1 496**	**1 227**	**2 723**
–	–	3	707	964	611	1 575
–	–	–	–	(34)	–	(34)
–	–	–	–	29	–	29
–	–	–	–	32	–	32
–	–	–	–	(3)	–	(3)
–	–	–	–	–	–	–
–	–	–	–	46	–	46
–	–	–	32	–	–	–
–	–	–	33	(42)	42	–
–	–	–	(11)	(11)	–	(11)
–	(13)	–	8	(5)	95	90
–	–	–	(252)	(252)	(282)	(534)
4	**(2 219)**	**1**	**5 151**	**2 220**	**1 693**	**3 913**
4	**(1 470)**	**(2)**	**4 188**	**1 517**	**1 300**	**2 817**
–	–	–	632	789	317	1 106
–	–	–	–	(20)	–	(20)
–	–	–	–	61	–	61
–	–	–	–	131	–	131
–	–	–	–	(72)	–	(72)
–	–	–	–	–	–	–
–	–	–	–	33	–	33
–	–	–	21	–	–	–
–	–	–	(8)	(8)	–	(8)
–	(736)	–	–	(736)	(82)	(818)
–	–	–	(199)	(199)	(308)	(507)
4	**(2 206)**	**(2)**	**4 634**	**1 496**	**1 227**	**2 723**

Supplementary information

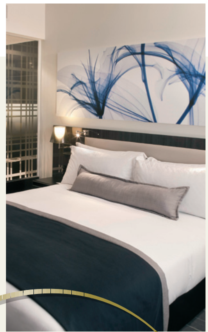
for the year ended 30 June

R million	2013 Reviewed	% change	2012 Audited
EBITDA RECONCILIATION			
Operating profit	**1 896**	11	1 710
Expropriation of land – Monticello*	**–**		6
Depreciation and amortisation	**851**		818
Property and equipment rental	**104**		71
Pre-opening Maslow lease rentals*	**24**		24
Benefit fund surplus recognition*	**–**		(24)
Net loss on disposal of property, plant and equipment*	**–**		1
Pre-opening expenses*	**37**		3
Retrenchment costs*	**–**		9
Employee benefits*	**(15)**		–
Other*	**4**		–
Reversal of Employee Share Trusts' consolidation*	**35**		24
EBITDA	**2 936**	11	2 642
EBITDA margin (%)	**29**		28
HEADLINE EARNINGS AND ADJUSTED HEADLINE EARNINGS RECONCILIATION			
Profit attributable to ordinary shareholders	**707**	12	632
Headline earnings adjustments	**–**		1
Net loss on disposal of property, plant and equipment	**–**		1
Headline earnings	**707**	12	633
Adjusted headline earnings adjustments	**12**		(27)
Pre-opening expenses	**37**		3
Expropriation of land – Monticello	**–**		6
Benefit surplus recognition	**–**		(24)
Retrenchment costs	**–**		9
Pre-opening Maslow lease rentals	**24**		24
Employee benefits	**(15)**		–
Other	**4**		–
Foreign exchange profits on intercompany loans	**(38)**		(45)
Tax on the above items	**(1)**		8
CGT	**–**		(46)
Tax on termination of management contract	**–**		(22)
Minorities' interests on the above items	**(2)**		49
Reversal of Employee Share Trusts' consolidation[i]	**24**		21
Adjusted headline earnings	**740**	20	616

R million	2013 Reviewed	% change	2012 Audited
Number of shares ('000)			
– in issue	**96 661**		95 903
– for EPS calculation	**96 016**		94 437
– for diluted EPS calculation	**96 537**		95 207
– for adjusted headline EPS calculation(i)	**102 991**		100 941
– for diluted adjusted headline EPS calculation(i)	**103 512**		101 711
Earnings per share (cents)			
– basic earnings per share	**736**	10	669
– headline earnings per share	**736**	10	670
– adjusted headline earnings per share	**719**	18	610
– diluted basic earnings per share	**732**	10	664
– diluted headline earnings per share	**732**	10	665
– diluted adjusted headline earnings per share	**715**	18	606
Tax rate reconciliation (%)			
Effective tax rate	**32**		33
Preference share dividends	**(3)**		(4)
STC	**–**		(5)
Prior year over-provisions	**–**		2
Foreign taxes	**1**		1
Release of CGT on share premium distributions	**–**		4
Capital allowances and disallowed expenditure	**(2)**		(3)
SA corporate tax rate	**28**		28
EBITDA to interest (times)	**6.5**		5.3
Annualised borrowings to EBITDA (times)	**2.3**		2.5
Net asset value per share (Rand)	**22.97**		15.60
Capital expenditure	**1 300**		1 150
Capital commitments			
– contracted	**183**		625
– authorised but not contracted	**1 259**		1 021
	1 442		1 646

* Items identified above are included as other expenses and other income in the segmental analysis.

(i) The consolidation of the Employee Share Trust is reversed in the calculation of adjusted headline earnings as the group does not receive the economic benefits of the trust.



ACCOUNTING POLICIES

The condensed consolidated financial information for the year ended 30 June 2013 has been prepared in accordance with the requirements of the JSE Limited Listings Requirements and the South African Companies Act, No 71 of 2008. The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts, the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and must also, as a minimum, contain the information required by IAS 34 "Interim Financial Reporting". The accounting policies applied are consistent with those adopted in the financial statements for the year ended 30 June 2012.

REVIEW OPINION

The condensed consolidated financial information for the year ended 30 June 2013 has been reviewed by the group's auditors, PricewaterhouseCoopers Inc. This review has been conducted in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", and their unmodified review opinion is available for inspection at the company's registered office.

REVIEW OF THE YEAR

Revenue for the year ended 30 June 2013 was 8% ahead of last year at R10.3 billion. After an encouraging start to the financial year, trading slowed with gaming revenue from the South African operations only growing by 3% in the second half compared to 7% in the first half. Revenue was further impacted by the introduction of the smoking ban in Chile with effect from 1 March 2013. EBITDA at R2.9 billion was 11% higher than last year, with the EBITDA margin increasing from 27.8% to 28.6%.

The increase in property and equipment rentals represents a full year's rental for the Maslow hotel which opened on 7 January 2013, however the lease commenced on 1 January 2012.

The continued weakening of the Rand resulted in foreign exchange profits of R57 million being realised compared to R79 million in the prior year. Net interest paid of R455 million was 6% below last year due primarily to lower interest rates.

The tax charge of R477 million increased by 10% due mainly to the higher profits offset in part by the abolition of STC from 1 April 2012. The effective tax rate, excluding non-deductible preference share dividends, STC and CGT, was 29% (2012: 28%).

Adjusted headline earnings of R740 million and diluted adjusted headline earnings per share of 715 cents were 20% and 18% above last year, respectively. Excluding the impact of foreign currency movements and STC, adjusted headline earnings per share increased by 14%.

In light of the subdued second half trading and the number of expansion projects under consideration the board has declared a final dividend of 155 cents (2012: 150 cents). This brings the total dividend for the 2013 financial year to 265 cents, 10% up on the prior year.

SEGMENTAL ANALYSIS

R million	REVENUE 30 June 2013	REVENUE 30 June 2012	EBITDA 30 June 2013	EBITDA 30 June 2012	EBITDA MARGIN (%) 30 June 2013	EBITDA MARGIN (%) 30 June 2012	OPERATING PROFIT 30 June 2013	OPERATING PROFIT 30 June 2012
South African Operations	**7 788**	7 298	**2 217**	2 030	**28.5**	27.8	**1 586**	1 415
GrandWest	**1 866**	1 779	**789**	746	**42.3**	41.9	**691**	607
Sun City	**1 291**	1 230	**168**	116	**13.0**	9.4	**45**	(2)
Carnival City	**1 061**	1 017	**316**	298	**29.8**	29.3	**232**	219
Sibaya	**1 040**	980	**362**	343	**34.8**	35.0	**293**	277
Boardwalk	**496**	451	**143**	147	**28.8**	32.6	**72**	99
Wild Coast Sun	**389**	308	**67**	32	**17.2**	10.4	**26**	(4)
Carousel	**322**	312	**66**	60	**20.5**	19.2	**39**	37
Meropa	**292**	274	**113**	108	**38.7**	39.4	**96**	88
Windmill	**255**	238	**94**	84	**36.9**	35.3	**78**	68
Morula	**230**	248	**28**	35	**12.2**	14.1	**12**	18
Table Bay	**181**	153	**22**	7	**12.2**	4.6	**2**	(14)
Flamingo	**152**	146	**44**	40	**28.9**	27.4	**33**	28
Golden Valley	**128**	128	**28**	33	**21.9**	25.8	**14**	16
Maslow	**41**	–	**(6)**	–	**(14.6)**	–	**(29)**	–
Other operating segments	**44**	34	**(17)**	(19)	**(38.6)**	(55.9)	**(18)**	(22)
Other African Operations	**948**	873	**174**	106	**18.4**	12.1	**70**	10
Federal Palace	**198**	173	**40**	11	**20.2**	6.4	**8**	(14)
Zambia	**182**	167	**41**	36	**22.5**	21.6	**23**	21
Botswana	**178**	170	**50**	48	**28.1**	28.2	**39**	36
Swaziland	**161**	149	**9**	(13)	**5.6**	(8.7)	**2**	(20)
Lesotho	**118**	106	**16**	12	**13.6**	11.3	**3**	(1)
Kalahari Sands	**111**	108	**18**	12	**16.2**	11.1	**(5)**	(12)
Monticello	**1 498**	1 270	**318**	262	**21.2**	20.6	**149**	120
Management activities	**610**	590	**244**	260	**40.0**	44.1	**196**	233
Total operating segments	**10 844**	10 031	**2 953**	2 658	**27.2**	26.5	**2 001**	1 778
Central office and other eliminations	**(577)**	(537)	**(17)**	(16)	**–**	–	**(20)**	(25)
Other income(ii)			**–**	–	**–**	–	**21**	24
Other expenses(ii)			**–**	–	**–**	–	**(106)**	(67)
	10 267	9 494	**2 936**	2 642	**28.6**	27.8	**1 896**	1 710

(ii) Refer to EBITDA reconciliation denoted*

REVENUE SEGMENTAL ANALYSIS

Revenue by region and nature is set out below:

	GAMING			ROOMS			F&B & OTHER			TOTAL		
R million	**2013**		2012	**2013**		2012	**2013**		2012	**2013**		2012
South Africa*	**6 457**	**5%**	6 144	**652**	**17%**	558	**712**	**10%**	649	**7 821**	**6%**	7 351
Other African	**385**	**10%**	349	**303**	**9%**	279	**260**	**6%**	245	**948**	**9%**	873
Monticello	**1 353**	**17%**	1 152	**2**	**100%**	1	**143**	**22%**	117	**1 498**	**18%**	1 270
	8 195	**7%**	7 645	**957**	**14%**	838	**1 115**	**10%**	1 011	**10 267**	**8%**	9 494

* Includes Management activities and Central office and other eliminations.

South Africa contributed 76% (77%) of group revenue with 83% coming from gaming. Monticello with 15% (13%) of group revenue grew revenue in Rands by 18% for the full year despite the fact that from 1 March 2013 gaming revenue in Rands declined by 2% (21% in Chilean Pesos) as a consequence of the smoking ban.

Rooms' revenue grew strongly, assisted by the opening of the Boardwalk and Maslow hotels in December 2012 and January 2013 respectively. On a comparative basis rooms' revenue was up 11% for the year. As a consequence of the increase in room supply, overall group occupancies declined 1.4% to 62.7% at an achieved daily rate ("ADR") of R1 075, which is 6% up on last year (room nights sold actually increased by 7.3%). Key properties' occupancies and ADRs are set out below:

	OCCUPANCY		ADR	
	2013	2012	**2013**	2012
Sun City	**63.6%**	64.2%	**R1 616**	R1 525
Wild Coast Sun	**78.3%**	84.6%	**R647**	R540
The Table Bay Hotel	**53.0%**	47.5%	**R2 086**	R1 956
The Maslow	**36.3%**	–	**R1 130**	–
Royal Livingstone and Zambezi Sun	**39.8%**	42.9%	**R1 827**	R1 647
Gaborone Sun	**77.4%**	78.4%	**R792**	R727
The Federal Palace	**67.6%**	61.3%	**R2 142**	R2 001

OPERATIONAL REVIEW

GrandWest revenue was 5% ahead of last year at R1 866 million. As a result of good cost control the EBITDA margin improved to 42.3% and EBITDA increased 6% to R789 million. There has been no further news regarding the proposed 2% increase in gaming tax, as announced by the Western Cape legislature in the budget speech earlier this year.

Carnival City experienced a slowdown in revenue in the second half of the year with revenue declining 1% against 10% growth in the first half of the year. For the year revenue was up 4% to R1 061 million driven by 13% growth in tables' revenue. Carnival City's gaming revenue growth is below the growth in the Gauteng market due to increased competition from Electronic Bingo Terminals ("EBTs") and Limited Payout Machines ("LPMs") which have proliferated in and around Ekurhuleni. Despite the below inflation increase in revenue, Carnival City increased its EBITDA 6% to R316 million and its EBITDA margin improved by 0.5% to 29.8%.

The group's share (Carnival City and Morula) of the Gauteng gaming market declined by 1.2% to 19.0% with both units and in particular Morula negatively impacted by the EBT and LPM sites in and around Pretoria and Ekurhuleni.

Sibaya revenue and EBITDA grew 6% at R1 040 million and R362 million respectively. The EBITDA margin of 34.8% was 0.2% below last year primarily due to an increase in gaming levies from November 2012, which resulted in an additional cost of R4.1 million. Sibaya's share of the KwaZulu-Natal gaming market of 35.3% was 0.4% lower than last year. The loss in market share is attributed to an increase in the number of gaming positions at a competitor's facility.

Boardwalk revenue increased 10% to R496 million. However, as a result of the increased cost structure resulting from the larger property and disruptions during construction, EBITDA declined 3% to R143 million and the EBITDA margin also declined. The new hotel and conference centre opened during December 2012 and the refurbishment of the existing gaming floor and the ancillary facilities were completed during the year. EBITDA in the second half of the financial year was up 7% and we are confident that the new facilities will result in future growth.

Sun City revenue at R1.3 billion was 5% up on last year. International room nights sold improved by 14% whilst local room nights sold declined 6%. Gaming revenue was up 3% at R446 million. As a result of excellent cost containment and process improvements, Sun City achieved an EBITDA growth of 45% to R168 million.

Wild Coast Sun revenue increased 26% to R389 million and EBITDA 109% to R67 million. Occupancies were 6.3% lower than last year, however room nights sold increased by 35% as a result of an increase in rooms from 271 to 396 on completion of the redevelopment in June 2012. The increased room inventory assisted the Wild Coast Sun in achieving growth of 17% in gaming revenue to R294 million.

Table Bay Hotel achieved good revenue growth on last year although occupancies still remain low due to the oversupply of inventory in the Cape Town market. ADR increased as a result of higher room nights sold in the FIT (Free Independent Traveller) and sports and promotion markets. Revenue of R181 million was 18% ahead of last year resulting in EBITDA of R22 million (2012: R7 million).

The Royal Livingstone and **Zambezi Sun's** revenue in local currency was 1% down on last year whilst EBITDA was flat. In Rands, revenue and EBITDA were 9% and 14% up on last year, respectively. The increased ADR is primarily a result of the strengthening of the US Dollar. Excluding the impact of exchange rates, the ADR was 0.5% higher than last year. Our properties continue to deal with the adverse effects of the yellow fever vaccination requirement imposed on Zambia but not on the Zimbabwean side of Victoria Falls where competing properties are situated.

Gaborone Sun and the other Botswana operations achieved revenue of R178 million, 5% up on last year due primarily to the strengthening of the Pula against the Rand. EBITDA increased 4% to R50 million with margins decreasing slightly to 28.1%, impacted by legal fees incurred relating to the successful objection to the awarding of a fourth casino licence, as well as increased utility and marketing costs.

In Nigeria, **The Federal Palace** revenue in local currency was 10% up on last year to NGN3 765 million (R198 million) with gaming revenue up 19% to NGN1 402 million (R80 million). Costs were exceptionally well contained resulting in EBITDA increasing 226% to NGN698 million (R40 million) and the EBITDA margin increasing from 6.4% to 20.2%.

Monticello revenue, in Chilean Pesos, was flat on last year, with the last four months of the year down 19%, due to the impact of the new anti-smoking legislation. Casino revenues in the Santiago region grew by only 2% for the year. Monticello's share of the Santiago market declined 2.2% to 66.9% as our competitor expanded its VIP offering. New smoking decks are currently being constructed which will make the property far more attractive to its smoking guests and should lead to a recovery in revenues over the medium term.

MANAGEMENT ACTIVITIES

Management fees and related income of R610 million was 3% ahead of last year whilst EBITDA of R244 million was 6% below last year. The decline in EBITDA is a result of lower project fees received, higher share based payments costs and certain once off employee restructuring costs.

FINANCIAL POSITION

The group's borrowings at 30 June 2013 of R6.7 billion are marginally below last year. Strong cash flows generated by operations have offset the debt required for the Boardwalk and Maslow developments.

Borrowings

R million	30 June 2013	30 June 2012
SunWest (GrandWest & Table Bay)	**721**	723
Emfuleni Resorts (Boardwalk and Fish River Sun)	**708**	461
SFI Resorts (Monticello)	**553**	736
Afrisun Gauteng (Carnival City)	**539**	461
Transkei Sun (Wild Coast Sun)	**349**	355
The Tourist Company of Nigeria (Federal Palace)	**497**	395
Afrisun KZN (Sibaya)	**318**	304
Mangaung Sun (Windmill)	**162**	124
Worcester (Golden Valley)	**135**	142
Meropa	**118**	110
Teemane (Flamingo)	**66**	71
Swazispa	**23**	24
Lesotho Sun	**16**	27
Sun International Botswana (Gaborone Sun)	**2**	3
Sands Hotels (Kalahari Sands)	**14**	22
Central office	**2 210**	2 491
	6 431	6 449
Employee Share Trusts	**239**	230
	6 670	6 679

Capital expenditure incurred during the year

R million	
Expansionary:	
Boardwalk	306
Maslow	217
Monticello*	34
	557
Refurbishment:	
Sun City	35
Zambia (Royal Livingstone)	19
Wild Coast Sun	6
Other	13
	73
Other ongoing asset replacement**	**670**
Total capital expenditure	**1 300**

* The Monticello expansionary capex relates to the purchase of land adjacent to the property for future expansion.

** Other ongoing asset replacement relates primarily to the replacement of gaming and IT equipment.

PROTECTING AND LEVERAGING OUR ASSETS

Boardwalk

The 140 room 5 star hotel, conference centre, parkade, retail complex and musical water extravaganza were all completed during the period under review. The hotel opened on schedule on 14 December 2012 and has positioned the property as the most desired destination in the Eastern Cape offering premier conferencing facilities.

The total project expenditure remains within the R1 billion budget. To date R903 million has been spent on the project with the balance to be spent in the new financial year.

GrandWest exclusivity

Further to an invitation from the Western Cape Provincial Treasury to provide updated information and comment on the 2010 report of the Bureau of Economic Research of Stellenbosch University (BER), representatives of the group met with the BER and provided the required information. Since providing the information no further communication has been received. Based on our extensive database of guests derived from 12 years of operating in the region, as well as the recent low growth experienced at GrandWest, we do not believe that there is any significant untapped gaming revenue in the region – certainly nothing that could justify the establishment of another large casino in the catchment area of the City.

Relocation of Morula casino licence

As announced on SENS on 9 July 2013 the group submitted an application to the Gauteng Gambling Board to amend its Morula casino licence. This amendment would allow the group to relocate the casino from Mabopane to Menlyn, Tshwane in order to deliver the full potential of this licence to the City of Tshwane and the Gauteng Province. The public had until 16 August 2013 to submit objections to the application. The objections and concerns that have been received are currently being addressed, whereafter the gambling board will make its decision.

If the application is approved the group has plans to create a new R3 billion urban entertainment destination to be known as Time Square on Menlyn Maine in Tshwane's eastern suburbs. The development is part of a new large scale mixed-use "Green City" project which is currently under development, known as Menlyn Maine. This will, in its final form, be an R8 billion, 315 000m² precinct, of which R825 million is either already built or under construction. It will comprise a new shopping mall, a high-end residential component, an office park, hotels and an entertainment node – which is the component that Sun International will provide, and which includes a 110 room 5 star hotel, 8 000 seat entertainment arena, convention and exhibition facility and a casino with 2 000 slots and 60 tables.

Sun City

We are currently finalising a number of development plans which will enhance the Sun City offering including amongst others the refurbishment of the casino, conference facilities and phase 1 of the highly successful Vacation Club. The improvements to the resort will be self-funded out of Sun City's operating cash flows and the proceeds from the sale of the Vacation Club units, which will be launched shortly. The improvements to the resort will ensure that Sun City retains its position as the country's premier casino and conference destination.

GROWING OUR BUSINESS INTO NEW AREAS AND NEW PRODUCTS

South Africa

The Maslow hotel

The 281 room 4 star Maslow hotel refurbishment in Sandton was completed on schedule in mid-December 2012 at a total cost of R261 million. The Maslow, which opened to the public on 7 January 2013, has been well received and the group is confident that the hotel will become the preferred choice in Sandton for business and leisure travellers.

Online sports betting

The R30 million acquisition of Powerbet Gaming (Pty) Ltd, as announced on SENS in the group's third quarter trading update, is close to completion. The last remaining condition for the acquisition is the approval of the transaction by the Western Cape Gambling and Racing Board which is expected by the end of September. The entry into sports betting positions the group well in the event that online gaming is legalised in South Africa and offers our guests an additional product in a fast growing industry.

Latin America

Panama

As announced on SENS on 29 November 2012 the group will acquire on a freehold basis, the casino component, the penthouse level (to be used as a Salon Privé), and certain apartments in the Trump Ocean Club International Hotel and Tower in Panama City, Panama.

The casino will have approximately 600 slots and 32 tables allocated between the casino component located on the ground floor and the Privé situated on the top floor overlooking the canal and the City. Both facilities will have entertainment and food and beverage offerings.

The group has submitted a gaming licence application and is awaiting approval. Other components of the transaction are well on track and registration of the rezoned components of the building has been completed. The group is ready to proceed with the development, as soon as the licence is approved, and the property is expected to open by September 2014.

Colombia

The group is in the process of applying for a casino licence in Colombia and has entered into a long term lease for the casino component in a new mixed-use development in Cartagena. The development will also include a 284 room, 5 star InterContinental hotel, convention centre, shops, theatres, apartments and offices. The lease is conditional on the group securing the casino licence and if awarded the group will fit-out and equip the casino, which will have 310 slot machines and 16 tables, at a cost of US$30 million. This opportunity provides the group with a low risk entry into the country's gaming market which presents a number of larger, exciting opportunities.

Other

Opportunities are currently been considered in other parts of Latin America including Uruguay and Peru.

OUTLOOK

In the absence of a significant improvement in the current South African economic environment the group anticipates trading to remain subdued in the forthcoming year. Gaming revenue will be impacted by a full year's trading under the smoking ban in Chile whilst rooms revenues are expected to reflect continued good growth off fairly low levels. Given the outlook for low revenue growth there will be an increased focus on efficiencies and costs with the intent to improve margins and EBITDA.

We have recently completed three large projects in the form of Wild Coast, Boardwalk expansion and the Maslow hotel, all delivered on time, on budget and successfully opened. Looking forward we have an exciting pipeline of new opportunities as outlined above and whilst these will not make a significant impact on the 2014 financial year they position the group for good growth thereafter.

The outlook has not been reviewed or reported on by the company's auditors.

For and on behalf of the board

MV Moosa
Chairman

GE Stephens
Chief Executive

23 August 2013

DECLARATION OF FINAL CASH DIVIDEND

Notice is hereby given that a gross final cash dividend of 155 cents per share (131.75 cents net of dividend withholding tax) for the year ended 30 June 2013 has been declared, payable to shareholders recorded in the register of the company at the close of business on the record date appearing below. This dividend has been declared out of income reserves. The number of ordinary shares in issue at the date of this declaration is 114 129 455. The company has no STC credits to be utilised to offset against the 15% dividend withholding tax. The salient dates applicable to the final dividend are as follows:

	2013
Last day to trade cum final dividend	Friday, 13 September
First day to trade ex final dividend	Monday, 16 September
Record date	Friday, 20 September
Payment date	Monday, 23 September

No share certificates may be dematerialised or rematerialised between Monday, 16 September 2013 and Friday, 20 September 2013 both days inclusive. Dividend cheques will be posted and electronic payments made, where applicable, to certificated shareholders on the payment date. Dematerialised shareholders will have their accounts with their Central Securities Depository Participant or broker credited on the payment date.

Sun International Limited's tax reference number is: 9875/186/71/1.

By order of the board

CA Reddiar
Group Secretary

26 August 2013

Registered office: 27 Fredman Drive, Sandown, Sandton 2196
Sponsor: Rand Merchant Bank (a division of FirstRand Bank Limited)
Transfer secretaries: Computershare Investor Services (Pty) Ltd, 70 Marshall Street, Johannesburg 2001

The profit announcement was prepared under the supervision of the
CFO, AM Leeming; BCom, BAcc, CA(SA).

Directors: MV Moosa (Chairman), IN Matthews (Lead Independent Director), GE Stephens (Chief Executive)*, PD Bacon**, ZBM Bassa, AM Leeming (Chief Financial Officer)*, PL Campher, Dr NN Gwagwa, BLM Makgabo-Fiskerstrand, KH Mazwai*, B Modise, LM Mojela, GR Rosenthal
**Executive* ***British*

Group Secretary: CA Reddiar
26 August 2013

STUDIO 5

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("Sun International" or "the group" or "the company")
Registration Number: 1967/007528/06, **Share Code:** SUI, **ISIN:** ZAE 000097580

Sun International

A Million Thrills. One Destination.