

The logo for Sun International, featuring the word "Sun" in a stylized, cursive script and "International" in a clean, sans-serif font, both in white.

Sun International

A night-time photograph of the Sun Time Square building, a modern skyscraper with a glass facade and a distinctive blue and white structural design. The building is illuminated with blue and white lights, and the surrounding area is also lit up. The sky is dark with some clouds.

**AUDITED**  
SUMMARY GROUP FINANCIAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER

'18



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Income  
up **7%** to  
**R16.4 billion**



Adjusted operating profit  
up **4%** to  
**R2.8 billion**



Adjusted EBITDA  
up **5%** to  
**R4.4 billion**



Adjusted diluted HEPS  
up **4%** to  
**316 cents** per share



# KEY HIGHLIGHTS

- Time Square is now fully operational and reflecting steady casino market share growth. January and February 2019 gaming growth was 9% and 32% respectively
- Sun Slots continues to trade well with 10% growth in income and 15% growth in adjusted EBITDA
- Commenced restructure of Carousel
- Boardwalk restructure in progress
- Implemented a successful rights offer
- South African debt reduced from R11.4 billion at December 2017 to R9.2 billion at December 2018
- Solid performance from Monticello, increasing revenue and EBITDA by 14% and 37% respectively
- Acquisitions in Peru and Argentina expected to contribute positively



# OVERVIEW



Despite challenging trading conditions, our business proved its resilience and we remain cash generative and can adapt to the ever-changing environment

## SOUTH AFRICA

### Trading remained subdued

- Continued pressure on disposable income
- VAT increase impact of R44 million before tax
- Weak local economy

Comparable income increased 1% from the prior year. We achieved satisfactory adjusted EBITDA performance despite the 1% VAT increase in April 2018

- Gaming income up 2%
- Rooms revenue in line with prior year

### Time Square became fully operational following opening of the hotel

- Gauteng market share at 14.2% in second half of the year
- Recent trading continued the positive trend with January and February gaming income up by 9% and 32% respectively

- Carousel restructure approved by gaming board
- Boardwalk restructure being held up by the union and final gaming board sign off

### Debt

- The capital raise of R1.6 billion successfully completed in early June 2018
- Strong cash generation resulting in debt levels continuing to reduce

## LATAM

### Comparable Sun Dreams performed well

- Income in second half increased by 10% and EBITDA by 18%
- Monticello income up 14% and EBITDA up 37%

### Concluded the acquisition of 20% minority interest in Sun Dreams

- Effectively 9.86% acquired by Sun International, thereby increasing interest to approximately 65%
- Funding for acquisition raised in Sun Dreams

### Acquisitions

- Completed the acquisition of Thunderbird Resorts in April 2018 which generated revenue of R194 million and EBITDA of R25 million
- Acquisition of Park Hyatt Hotel, Casino & Spa in Mendoza, Argentina became unconditional on 11 July and has performed ahead of expectations in dollar terms

- **Ocean Sun Casino in Panama and Sun Nao Casino in Colombia accounted for as discontinued operations**

### Outcome of municipal licence bidding process announced in June 2018

- Sun Dreams successful in 1 of 5 bids for municipal licences
- Challenging the award of Puerto Varas and Pucon licences to Enjoy



# STRATEGIC OBJECTIVES





# IMPROVE GUEST EXPERIENCE

- Increased focus on service and customer engagement
- Significant promotions to celebrate Sun City's 40<sup>th</sup> birthday
- SunBet went live with its new Adobe website using the Bede and Kambi platform in June 2018 prior to the Fifa World Cup
- Refurbishments at properties
  - The Sibaya Privé and buffet restaurants completed
  - Palace and Cascades rooms refurbishments ongoing
  - Carnival City Privé and rooms to undergo refurbishment in 2019
- Service culture embedded in the SunWay culture programme







# EFFICIENCY AND OPTIMISATION

- Efficiency and optimisation team identified a number of areas for improvement
- Review of SIML structures and services commenced
- Operating margins critically assessed and benchmarked
- Implementation of Kronos and advanced scheduling in the final stages of completion
- System integration ongoing
- Sales and marketing strategy undergoing review to ensure alignment and all markets addressed
- Fusion, in-house design and creative team commenced mid-February with improved marketing and property collateral achieved together with reduced costs
- Shared Service Centre fully operational
  - Payroll centralisation in the final stages of completion
  - Gauteng region working well and the process to roll out finance to the rest of the group launched





# PROTECT AND LEVERAGE EXISTING ASSET PORTFOLIO

## SOUTH AFRICA

- Comments submitted on draft Tobacco Bill
- Bill for the new Gauteng tax regime withdrawn by MEC
- Draft legislation to be published for comment on proposed national gambling tax of 1%
- Comments to the amended National Gambling Amendment Bill submitted via CASA. Bill now referred to NCOP which in turn has requested public comments via the provinces
- Comments on Western Cape Relocation Bill submitted
- CASA failed in its attempts to overturn decision to increase the number of casino licences from 40 to 41. CASA is considering approaching the Constitutional Court
- Boardwalk restructure being delayed by union and final approval of structures by the gaming board
- Carousel to undergo significant restructure
- In discussions to renew the Table Bay lease which expires in 2022
- Boardwalk Mall development progressing in the right direction albeit at a slower pace than preferred







# PROTECT AND LEVERAGE EXISTING ASSET PORTFOLIO

## SOUTH AFRICA continued

- Carnival City land development progressing with various approvals underway
- Disposal of Sibaya excess land for R45 million approved by gaming board. Transfer expected in June 2019

## NIGERIA

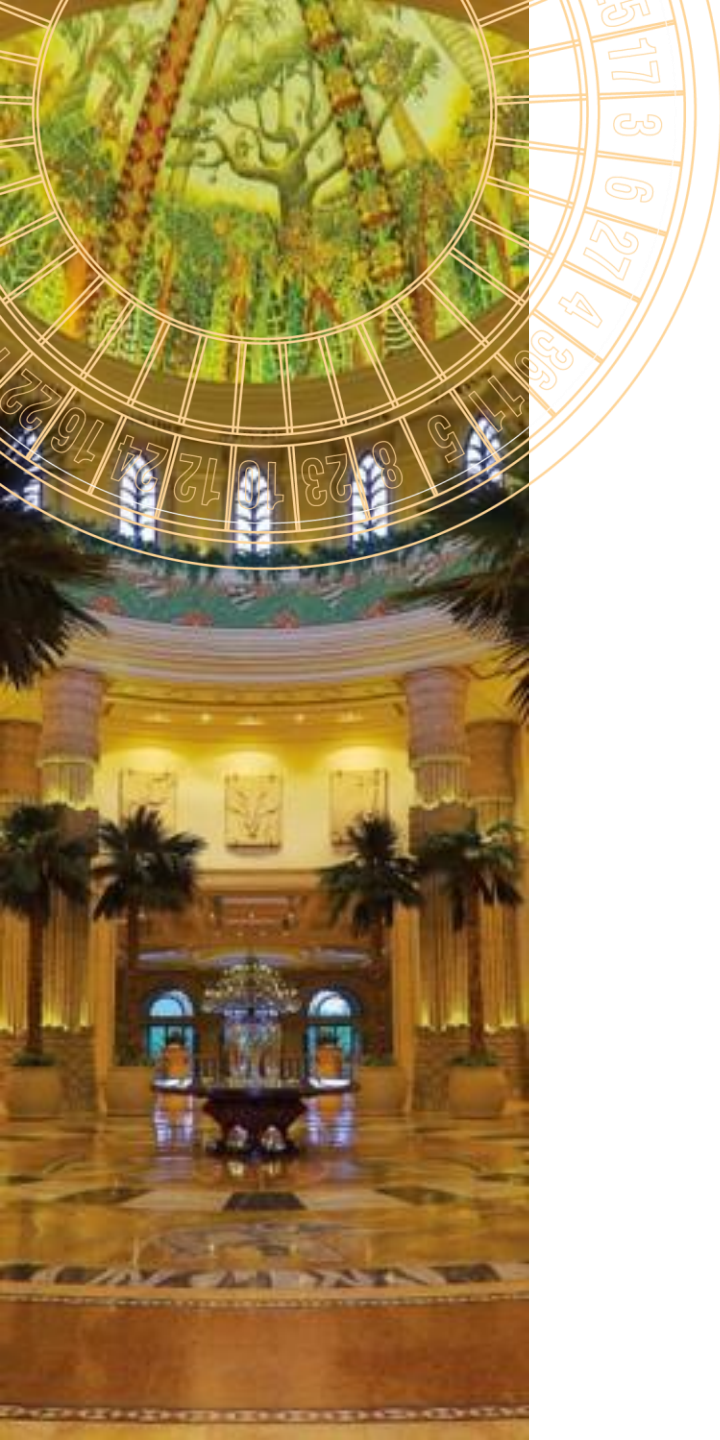
- Exit Nigerian operations. Continuous engagement with relevant stakeholders

## LATAM

- Sun Dreams only secured one of the five Chilean municipal licences bid for. Economic offer of winning bids would not generate satisfactory returns for us
- Sun Dreams has launched a court challenge with regards to deficiencies in Enjoy's technical bid for the Puerto Varas and Pucon licences
  - Likely to cause significant delay in hand over of licence
  - Puerto Varas property valued in the range of US\$25 million to US\$35 million
- Ocean Sun Casino and Sun Nao Casino operations accounted for as discontinued operations







# GROW OUR BUSINESS INTO NEW AREAS AND PRODUCTS

- Acquisition of Thunderbird Resorts in Peru was concluded in April 2018
  - Generated revenue of R194 million and adjusted EBITDA of R25 million
- Acquired 100% of the Park Hyatt Hotel, Casino & Spa in Mendoza, Argentina effective 11 July 2018
  - Performed ahead of expectations in dollar terms with a strong performance from the hotel
  - Generated revenue of R228 million
- Good prospects exist for online sports betting and casinos in Latam which are being explored





# OUR PEOPLE

- Constitutional Court ruling on labour brokers
  - Employed 1 342 temporary employees
  - Relatively seamless integration
  - Will have short term effect
- Removed disproportionate income differential levels over time – equal pay for work of equal value
- Into second year of three-year wage agreement
- Launched Sun Academy to improve staff training
- SunWay culture programme launched
- Continuous engagement by the leadership team at all levels of the organisation





# GOVERNANCE AND SUSTAINABILITY

- Changes to remuneration policy to be proposed
- Dedicated group ethics office to reinforce ethical culture
- Risk methodology and risk ranking revised
- Focused group sustainability hub incorporating occupational health and safety, environmental, socio-economic and B-BBEE functions
- Integrating South Africa and Latam's governance structures and implementing a sustainability strategy in Latam
- Jabu Mabuza to replace Valli Moosa as chairman following the 2019 AGM





# FINANCIAL REVIEW



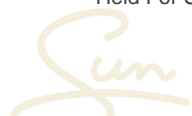
# FINANCIAL OVERVIEW

R million	December 2018	%	December 2017*
Income	<b>16 420</b>	7	15 351
Adjusted EBITDA	<b>4 357</b>	5	4 143
Adjusted depreciation and amortisation	<b>(1 541)</b>	(7)	(1 445)
Adjusted operating profit	<b>2 816</b>	4	2 698
Foreign exchange loss	<b>(8)</b>	90	(81)
Net interest	<b>(1 176)</b>	14	(1 033)
Profit before tax	<b>1 632</b>	3	1 584
Tax	<b>(665)</b>	12	(595)
Profit after tax	<b>967</b>	(2)	989
Minorities	<b>(503)</b>	1	(506)
Attributable profit	<b>464</b>	(4)	483
Share of associates	<b>8</b>	>100	2
Adjusted headline earnings adjustments	<b>(372)</b>	32	(547)
Discontinued operations	<b>(107)</b>	41	(181)
Retained loss for the period	<b>(7)</b>	(97)	(243)

## Analysis of attributable profit

	2018	2017
<b>Attributable profit</b>	<b>464</b>	<b>483</b>
Share of associates	<b>8</b>	2
<b>Continuing adjusted headline earnings</b>	<b>472</b>	485
Adjustments	<b>(372)</b>	<b>(547)</b>
• to basic earnings	<b>(253)</b>	(68)
• to headline earnings	<b>(119)</b>	(479)
Discontinued operations	<b>(107)</b>	(181)
<b>Retained loss for the period</b>	<b>(7)</b>	<b>(243)</b>

\* The prior year comparative financial information was restated to reflect the discontinued operations of Panama and Colombia, as required by IFRS 5: Non-Current Assets Held For Sale and Discontinued Operations.



# EARNINGS RECONCILIATION

R million	2018	2017*
<b>Loss attributable to ordinary shareholders</b>	<b>(7)</b>	(243)
<b>Adjustments to basic earnings</b>	<b>253</b>	68
Net impairment of assets <sup>1</sup>	337	92
Net loss on disposal of property, plant and equipment <sup>2</sup>	29	13
Profit on disposal of shares in joint ventures and associates	-	(27)
Fair value adjustment on investment held for sale	-	43
Tax on above items	(89)	(12)
Minorities' interests in the above items	(24)	(41)
<b>Headline earnings/(loss)</b>	<b>246</b>	(175)
<b>Adjustments to headline earnings</b>	<b>119</b>	479
Straight-line adjustment for rentals <sup>3</sup>	13	20
Pre-opening expenses	3	48
Latam acquisition costs	-	43
Restructuring and related costs	-	43
Fair value adjustment on put option liabilities <sup>4</sup>	27	223
Amortisation of Sun Dreams intangible assets raised as part of the PPA	102	148
Forward exchange contract losses	75	-
Foreign exchange (profits)/losses on Inter-company balances	(44)	27
Interest on Time Square Note	-	22
Other**	15	99
Tax on above items	(29)	(89)
Minorities' interests in the above items	(43)	(105)
<b>Adjusted headline earnings</b>	<b>365</b>	304

1. Net impairment of Panama assets of R31 million and impairment of R306 million on Sun City

2. Includes profit on the sale of the Fish River land of R15 million and loss of the Colombian assets of R41 million

3. The straight-line adjustment relates to the lease of the Maslow and the head office building

4. An increase in the value of the Tsogo Sun put option



\* The prior year comparative financial information was restated to reflect the discontinued operations of Panama and Colombia, as required by IFRS 5: Non-Current Assets Held For Sale and Discontinued Operations.

\*\* Other includes various non-recurring exceptional items.





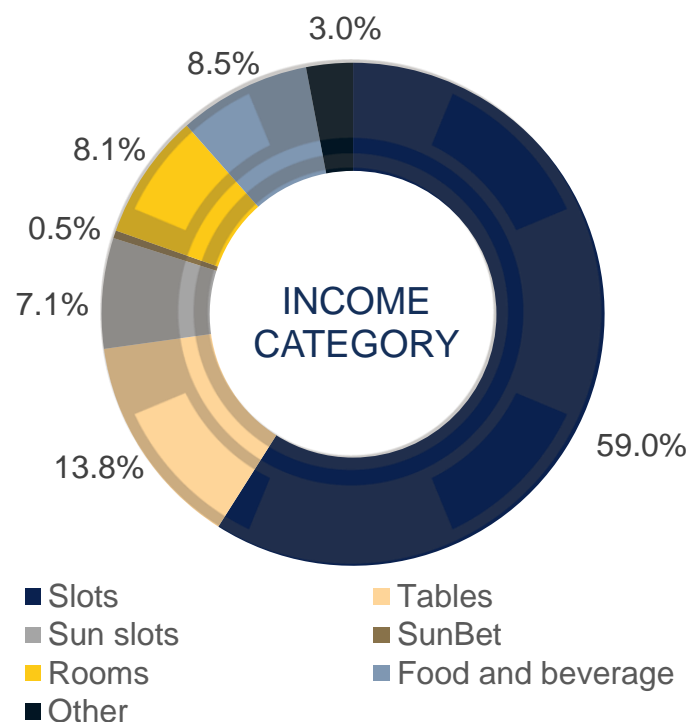
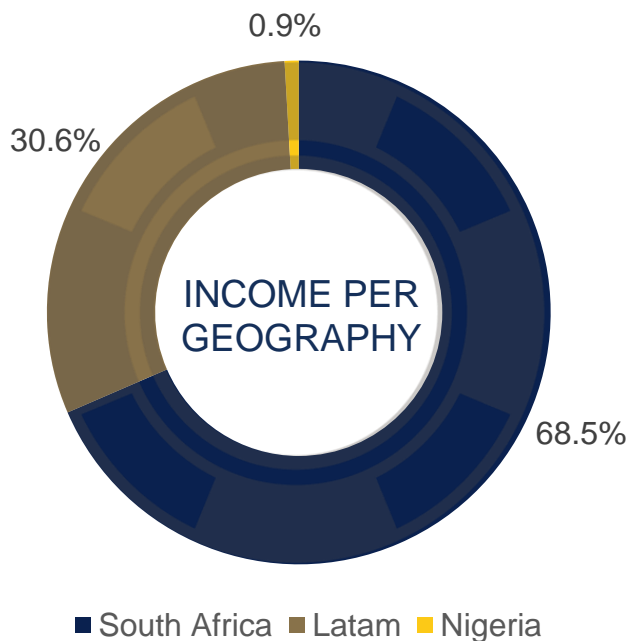


# SEGMENTAL REVIEW

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# SEGMENTAL REVIEW

R million	South Africa		Latam		Nigeria		Group	
	2018	2017	2018	2017*	2018	2017	2018	2017
Income	<b>11 254</b>	10 882	<b>5 018</b>	4 326	<b>148</b>	143	<b>16 420</b>	15 351
EBITDA	<b>2 985</b>	2 920	<b>1 363</b>	1 215	<b>9</b>	8	<b>4 357</b>	4 143
Adjusted operating profit after PPA	<b>1 926</b>	1 919	<b>906</b>	801	<b>(16)</b>	(22)	<b>2 816</b>	2 698



\* The prior year comparative financial information was restated to reflect the discontinued operations of Panama and Colombia, as required by IFRS 5: Non-Current Assets Held For Sale and Discontinued Operations.

# SOUTH AFRICAN SEGMENTAL REVIEW

R million	Income			Adjusted EBITDA			Adjusted operating profit		
	2018	%	2017	2018	%	2017	2018	%	2017
GrandWest	2 214	3	2 155	868	2	850	727	1	721
Sun City	1 672	(3)	1 731	205	(14)	237	(8)	<(100)	26
Sibaya	1 289	2	1 269	430	(2)	439	360	(6)	385
Carnival City	961	(2)	980	231	(9)	254	163	1	162
Boardwalk	532	(4)	552	95	-	95	23	(15)	27
Wild Coast Sun	498	4	481	95	2	93	47	2	46
Meropa	308	2	302	94	(2)	96	74	(1)	75
Windmill	273	7	255	95	20	79	75	32	57
Flamingo	165	(4)	172	40	(15)	47	26	(21)	33
Worcester	170	(3)	176	32	(18)	39	17	(26)	23
Table Bay	341	(4)	354	78	(12)	89	59	(16)	70
The Maslow	142	(4)	148	(35)	(59)	(22)	(47)	(18)	(40)
Naledi	20	(5)	21	(1)	86	(7)	(2)	75	(8)
<b>South African operations</b>	<b>8 585</b>	-	8 596	<b>2 227</b>	(3)	2 289	<b>1 514</b>	(4)	1 577
Sun Slots	1 162	10	1 060	287	15	249	222	34	166
SunBet	77	57	49	8	>100	2	6	>100	-
<b>Comparable South African operations*</b>	<b>9 824</b>	1	9 705	<b>2 522</b>	(1)	2 540	<b>1 742</b>	-	1 743
Time Square	1 247	51	827	305	66	184	69	>100	26
<b>South African operations including Time Square</b>	<b>11 071</b>	5	10 532	<b>2 827</b>	4	2 724	<b>1 811</b>	2	1 769
Carousel	163	(34)	246	(15)	<(100)	28	(33)	<(100)	10
Fish River	-	(100)	21	(1)	95	(21)	(1)	96	(23)
Morula	-	(100)	38	(1)	75	(4)	(1)	80	(5)
Management companies	569	(4)	593	175	(9)	193	150	(11)	168
Inter-company management fees	(549)	-	(548)	-	-	-	-	-	-
	<b>11 254</b>	3	10 882	<b>2 985</b>	2	2 920	<b>1 926</b>	-	1 919

\* Comparable South African operations excludes Time Square, management companies, Carousel, Morula and Fish River.





# LATAM SEGMENTAL REVIEW



R million	Income			Adjusted EBITDA			Adjusted Operating profit		
	2018	%	2017	2018	%	2017	2018	%	2017
Monticello	1 904	14	1 674	573	37	417	405	53	265
Sun Dreams SCJ licences	1 581	3	1 532	612	4	586	574	4	551
Sun Dreams municipal licences	823	(1)	834	287	(5)	303	250	(2)	256
Sun Latam office	-	(100)	9	(8)	<(100)	8	(8)	<(100)	8
Central office*	-	-	-	(193)	(46)	(132)	(348)	26	(276)
Chile operations	4 308	6	4 049	1 271	8	1 182	873	9	804
Peru excluding Thunderbird Resorts	288	4	277	32	(3)	33	(7)	>100	(3)
Comparable operations**	4 596	6	4 326	1 303	7	1 215	866	8	801
Thunderbird Resorts	194	>100	-	25	>100	-	14	>100	-
Mendoza	228	>100	-	36	>100	-	26	>100	-
<b>Latam total</b>	<b>5 018</b>	<b>16</b>	<b>4 326</b>	<b>1 363</b>	<b>12</b>	<b>1 215</b>	<b>906</b>	<b>13</b>	<b>801</b>
Average ZAR:CLP exchange rate	<b>48.69</b>		48.71						

\* PPA adjustment included in central office

\*\*Comparable operations excludes Thunderbird, Mendoza, and the two discontinued units: Ocean Sun and Sun Nao.



# CAPITAL INVESTMENT



# CAPITAL INVESTMENT

R million	December 2018 Actual	December 2017 Actual
<b>South African operations</b>		
<b>Expansionary</b>	<b>126</b>	<b>1 672</b>
Time Square	126	1 594
Sun City	-	50
Other	-	28
<b>Refurbishment and ongoing</b>	<b>622</b>	<b>501</b>
Sun City	134	71
GrandWest	110	128
Sibaya	72	81
SunSlots	105	95
Time Square	14	-
Other	187	126
<b>Total South African capital expenditure</b>	<b>748</b>	<b>2 173</b>
<b>Latam operations</b>		
Expansionary	85	230
Refurbishment and ongoing	205	178
<b>Total Latam capital expenditure</b>	<b>290</b>	<b>408</b>
<b>Nigeria operation</b>		
Refurbishment and ongoing	12	10
<b>Total group capital expenditure</b>	<b>1 050</b>	<b>2 591</b>





# BORROWINGS AND CASH FLOW



# BORROWINGS

R million	Total debt	Minorities	Attributable to Sun International
<b>South Africa</b>			
Operating subsidiaries*	2 586	588	1 998
Time Square	5 070	722	4 348
Central office	1 518	-	1 518
	<b>9 174</b>	<b>1 310</b>	<b>7 864</b>
<b>Nigeria</b>			
Shareholder loans	927	470	457
Sun International inter-company debt	(325)	(165)	(160)
	<b>602</b>	<b>305</b>	<b>297</b>
<b>Latam</b>			
Sun Dreams	4 103	1 461	2 642
Sun Chile	787	-	787
	<b>4 890</b>	<b>1 461</b>	<b>3 429</b>
<b>31 December 2018</b>	<b>14 666</b>	<b>3 076</b>	<b>11 590</b>
30 June 2018	15 062	3 082	11 980
31 December 2017	14 995	2 654	12 341

\* Excluding Time Square

	South Africa		Sun Dreams	
	Actual	Covenant	Actual	Covenant
Debt to adjusted EBITDA	<b>3.0x</b>	<b>3.5x</b>	<b>3.0x</b>	<b>4.5x</b>
Interest cover	<b>3.2x</b>	<b>3.0x</b>		

Proceeds from the rights offer was applied to reduce South African debt

Latam debt increased following the raising of a 10-year Sun Dreams bond to fund the acquisition of the exiting shareholders' 20% interest

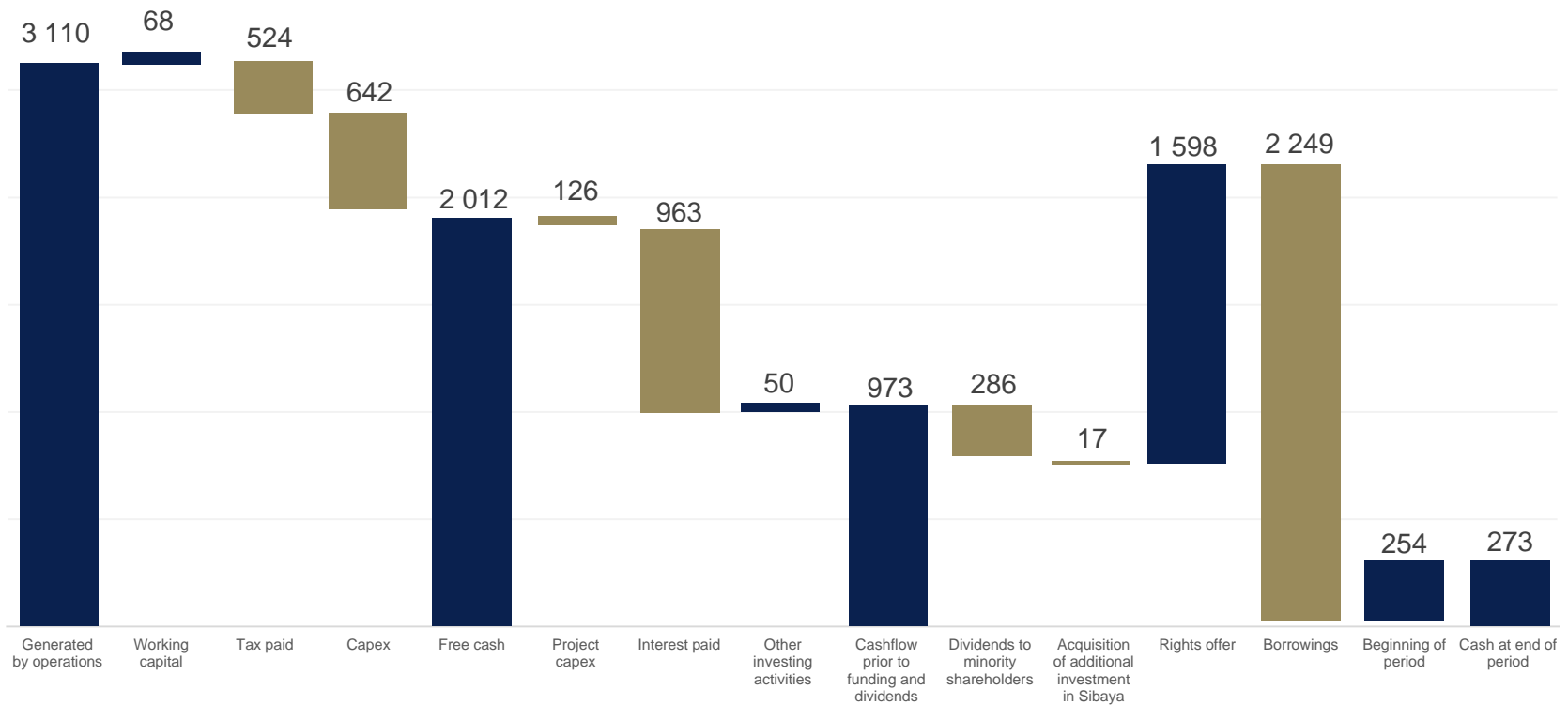
The South African weighted average interest rate is approximately 9.5%

In Latam the weighted average interest rate is approximately 5.3%. This is made up of a UF inflation rate (currently 1.8%), base rate and margin



# SOUTH AFRICAN CASH FLOW

R million



■ Cash outflow  
■ Cash inflow

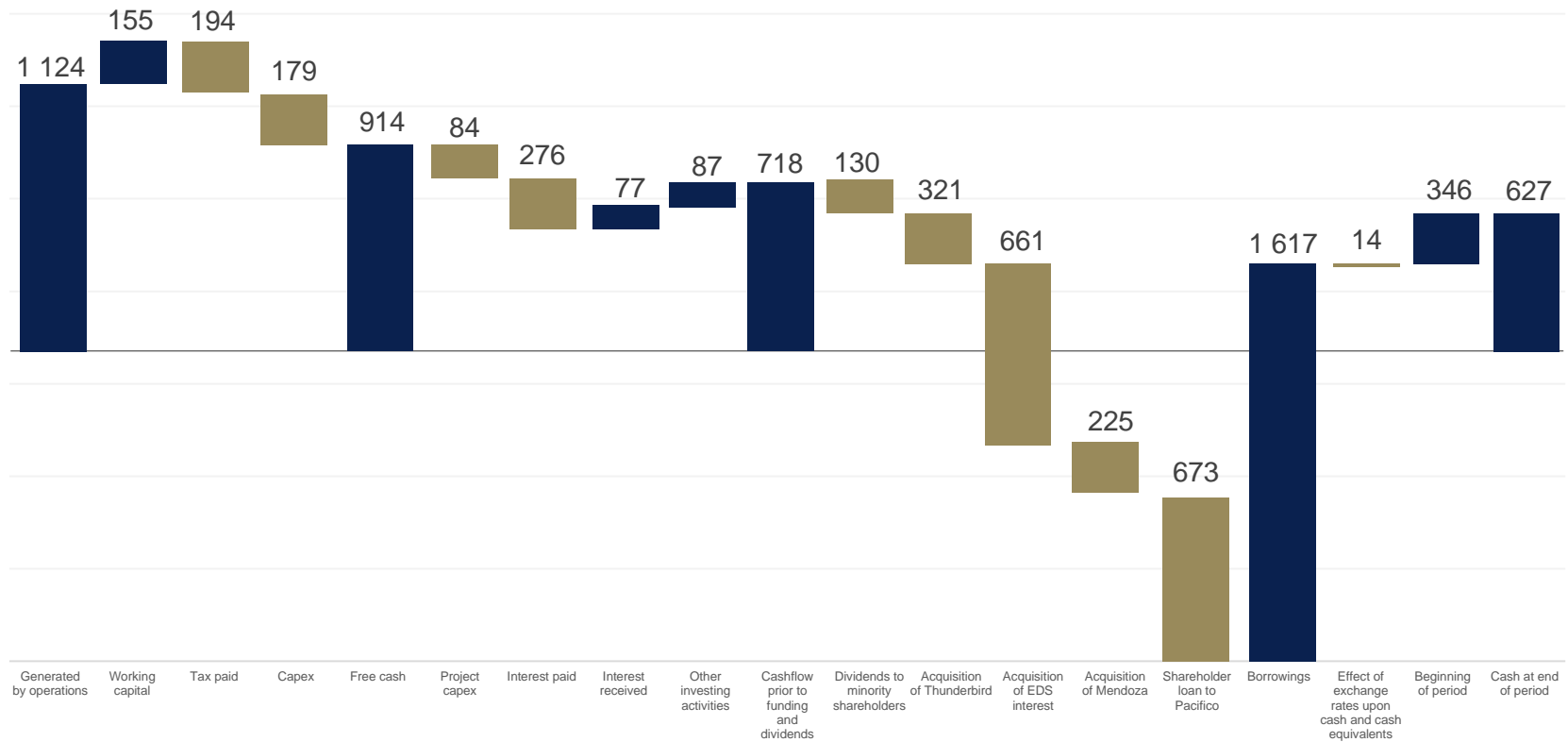
\* Other investing activities include the sale of Fish River land of R75 million.





# LATAM CASH FLOW

R million



■ Cash outflow  
■ Cash inflow



# SUPPLEMENTARY INFORMATION



# LATAM SEGMENTAL (CLP)

CLP million	Income			Adjusted EBITDA			Adjusted Operating profit		
	2018	%	2017	2018	%	2017	2018	%	2017
Iquique	20 256	(3)	20 906	6 218	(18)	7 558	5 793	(10)	6 415
Puerto Varas	19 851	1	19 745	7 743	7	7 210	6 383	6	6 033
Temuco	28 443	2	27 875	11 006	2	10 813	10 325	1	10 225
Valdivia	16 888	1	16 717	5 629	2	5 510	5 194	2	5 096
Coyhaique	7 063	6	6 644	2 158	15	1 882	1 899	14	1 670
Punta Arenas	24 585	5	23 393	11 020	7	10 297	10 531	7	9 828
Monticello	92 752	14	81 540	27 908	37	20 305	19 742	53	12 898
Sun Chile office	-	(100)	443	(402)	<(100)	378	(402)	<(100)	378
Central office*	-	-	-	(9 436)	(47)	(6 430)	(16 953)	(26)	(13 445)
<b>Total Chile operations</b>	<b>209 838</b>	<b>6</b>	<b>197 263</b>	<b>61 844</b>	<b>8</b>	<b>57 523</b>	<b>42 512</b>	<b>9</b>	<b>39 090</b>
Peru excluding Thunderbird	14 018	4	13 501	1 574	(2)	1 608	(313)	<(100)	(146)
Thunderbird	9 440	100	-	1 218	100	-	676	100	-
Mendoza	11 095	100	-	1 738	100	-	1 229	100	-
<b>Total Latam operations</b>	<b>244 391</b>	<b>16</b>	<b>210 764</b>	<b>66 374</b>	<b>12</b>	<b>59 131</b>	<b>44 104</b>	<b>13</b>	<b>38 944</b>

\* PPA adjustment included in central office





# COMPARING GROUP H2 2018 TO H1 2018



R million	Revenue			EBITDA			Margin		
	H2 2018	%	H1 2018	H2 2018	%	H1 2018	H2 2018	%	H1 2018
GrandWest	1 143	7	1 073	460	13	408	40.2%	6	38.0%
Sun City*	888	13	783	124	53	81	14.0%	36	10.3%
Sibaya	657	4	632	218	3	212	33.2%	(1)	33.5%
Carnival City	494	6	468	113	(4)	118	22.9%	(9)	25.2%
Boardwalk	280	11	252	53	23	43	18.9%	11	17.1%
Wild Coast Sun	251	2	247	51	16	44	20.3%	14	17.8%
Meropa	163	12	145	52	24	42	31.9%	10	29.0%
Windmill	135	(2)	138	48	2	47	35.6%	4	34.1%
Flamingo	83	2	81	22	22	18	26.5%	19	22.2%
Golden Valley	86	4	83	16	-	16	18.6%	(4)	19.3%
Table Bay	181	13	160	42	17	36	23.2%	3	22.5%
The Maslow	75	12	67	(17)	6	(18)	(22.7%)	(16)	(26.9%)
Naledi	11	22	9	1	>100	(2)	9.1%	141	(22.2%)
<b>South African casinos</b>	<b>4 447</b>	<b>7</b>	<b>4 138</b>	<b>1 183</b>	<b>13</b>	<b>1 045</b>	<b>26.6%</b>	<b>5</b>	<b>25.3%</b>
Sun Slots	600	7	562	160	26	127	26.7%	18	22.6%
SunBet	48	60	30	5	100	-	10.4%	-	-
<b>Comparable South African operations*</b>	<b>5 095</b>	<b>8</b>	<b>4 730</b>	<b>1 348</b>	<b>15</b>	<b>1 172</b>	<b>26.5%</b>	<b>7</b>	<b>24.8%</b>
Time Square	666	15	581	175	35	130	26.3%	17	22.4%
<b>South African operations including Times Square</b>	<b>5 761</b>	<b>8</b>	<b>5 311</b>	<b>1 523</b>	<b>17</b>	<b>1 302</b>	<b>26.4%</b>	<b>8</b>	<b>24.5%</b>
Carousel	82	3	80	(7)	13	(8)	(8.5%)	15	(10.0%)
Fish River	(1)	<(100)	1	-	100	(1)	-	100	(100.0%)
Morula	-	-	-	-	100	(1)	-	-	-
Management companies	299	11	270	90	3	87	30.1%	(7)	32.2%
Inter-company management fees	(292)	(14)	(257)	-	-	-	-	-	-
<b>Total South Africa</b>	<b>5 849</b>	<b>8</b>	<b>5 405</b>	<b>1 606</b>	<b>16</b>	<b>1 379</b>	<b>27.5%</b>	<b>8</b>	<b>25.5%</b>
Latam	2 636	11	2 383	732	16	631	27.8%	5	26.5%
Nigeria	84	33	63	3	>100	(2)	3.6%	197	(3.7%)
<b>Total Group</b>	<b>8 569</b>	<b>9</b>	<b>7 851</b>	<b>2 341</b>	<b>17</b>	<b>2 008</b>	<b>27.3%</b>	<b>7</b>	<b>25.6%</b>

\* Comparable South African operation exclude Time Square, Carousel, management companies, Morula and Fish River.



# COMPARING SOUTH AFRICA H1 2018 TO H1 2017



R million	Revenue			EBITDA			Margin		
	H1 2018	%	H1 2017	H1 2018	%	H1 2017	H1 2018	%	H1 2017
GrandWest	1 073	4	1 032	407	4	391	37.9%	-	37.9%
Sun City*	783	(3)	808	81	(15)	95	10.3%	(13)	11.8%
Sibaya	632	3	612	213	3	207	33.7%	-	33.8%
Carnival City	468	(1)	471	118	1	117	25.2%	2	24.8%
Boardwalk	252	(9)	276	43	26	34	17.1%	39	12.3%
Wild Coast Sun	247	7	231	44	16	38	17.8%	8	16.5%
Meropa	145	(2)	148	42	(14)	49	29.0%	(13)	33.1%
Windmill	138	12	123	47	31	36	34.1%	16	29.3%
Flamingo	81	(4)	84	18	(18)	22	22.2%	(15)	26.2%
Golden Valley	83	(2)	85	16	7	15	19.3%	10	17.6%
Table Bay	160	(9)	176	36	(20)	45	22.5%	(12)	25.6%
The Maslow	67	(7)	72	(18)	(29)	(14)	(26.9%)	39	(19.4%)
Naledi	9	(10)	10	(2)	50	(4)	(22.2%)	(45)	(40.0%)
<b>South African casinos</b>	<b>4 138</b>	<b>0</b>	<b>4 128</b>	<b>1 045</b>	<b>1</b>	<b>1 031</b>	<b>25.3%</b>	<b>1</b>	<b>25.0%</b>
Sun Slots	562	12	504	127	11	114	22.6%	(0)	22.6%
SunBet	30	15	26	-	(100)	1	0.0%	(100)	3.8%
<b>Comparable South African operations*</b>	<b>4 730</b>	<b>2</b>	<b>4 658</b>	<b>1 172</b>	<b>2</b>	<b>1 146</b>	<b>24.8%</b>	<b>1</b>	<b>24.6%</b>
Time Square	581	>100	276	130	81	72	22.4%	(14)	26.1%
<b>South African operations including Times Square</b>	<b>5 311</b>	<b>8</b>	<b>4 934</b>	<b>1 302</b>	<b>7</b>	<b>1 218</b>	<b>24.5%</b>	<b>(1)</b>	<b>24.7%</b>
Carousel	80	(39)	131	(8)	<(100)	19	(10.0%)	(169)	14.5%
Fish River	1	(91)	11	(1)	92	(12)	(100.0%)	(8)	(109.1%)
Morula	-	(100)	39	(1)	75	(4)	0.0%	(100)	(10.3%)
Management companies	270	3	262	87	(7)	94	32.2%	10	35.9%
Inter-company management fees	(257)	(8)	(238)	-	-	-	0.0%	-	0.0%
<b>Total South Africa</b>	<b>5 405</b>	<b>5</b>	<b>5 139</b>	<b>1 379</b>	<b>5</b>	<b>1 315</b>	<b>25.5%</b>	<b>(0)</b>	<b>25.6%</b>

\* Comparable South African operation exclude Time Square, Carousel, management companies, Morula and Fish River.



# COMPARING SOUTH AFRICA H2 2018 TO H2 2017



R million	Revenue			EBITDA			Margin		
	H2 2018	%	H2 2017	H2 2018	%	H2 2017	H2 2018	%	H2 2017
GrandWest	1 143	2	1 123	460	-	459	40.2%	(2)	40.9%
Sun City*	888	(4)	922	124	(13)	142	14.0%	(9)	15.4%
Sibaya	657	-	656	218	(6)	232	33.2%	(6)	35.4%
Carnival City	494	(3)	509	113	(18)	137	22.9%	(15)	26.9%
Boardwalk	280	1	276	53	(13)	61	18.9%	(14)	22.1%
Wild Coast Sun	251	-	250	51	(7)	55	20.3%	(8)	22.0%
Meropa	163	6	154	52	11	47	31.9%	5	30.5%
Windmill	135	2	132	48	12	43	35.6%	9	32.6%
Flamingo	83	(7)	89	22	(12)	25	26.5%	(6)	28.1%
Golden Valley	86	(5)	91	16	(33)	24	18.6%	(30)	26.4%
Table Bay	181	2	178	42	(5)	44	23.2%	(6)	24.7%
The Maslow	75	(1)	76	(17)	<(100)	(8)	(22.7%)	(116)	(10.5%)
Naledi	11	-	11	1	>100	(3)	9.1%	(133)	(27.3%)
<b>South African casinos</b>	<b>4 447</b>	<b>-</b>	<b>4 467</b>	<b>1 183</b>	<b>(6)</b>	<b>1 258</b>	<b>26.6%</b>	<b>(6)</b>	<b>28.2%</b>
Sun Slots	600	8	556	160	19	135	26.7%	10	24.3%
SunBet	48	100	24	5	>100	1	10.4%	148	4.2%
<b>Comparable South African operations*</b>	<b>5 095</b>	<b>1</b>	<b>5 047</b>	<b>1 348</b>	<b>(3)</b>	<b>1 394</b>	<b>26.5%</b>	<b>(4)</b>	<b>27.6%</b>
Time Square	666	21	551	175	56	112	26.3%	30	20.3%
<b>South African operations including Times Square</b>	<b>5 761</b>	<b>3</b>	<b>5 598</b>	<b>1 523</b>	<b>1</b>	<b>1 506</b>	<b>26.4%</b>	<b>(2)</b>	<b>26.9%</b>
Carousel	82	(28)	114	(7)	<(100)	9	(8.5%)	(208)	7.9%
Fish River	(1)	<(100)	10	-	100	(9)	-	100	(90.0%)
Morula	-	-	-	-	-	-	-	-	-
Management companies	299	(5)	315	90	(14)	105	30.1%	(10)	33.3%
Inter-company management fees	(292)	1	(294)	-	-	-	-	-	-
<b>Total South Africa</b>	<b>5 849</b>	<b>2</b>	<b>5 743</b>	<b>1 606</b>	<b>-</b>	<b>1 611</b>	<b>27.5%</b>	<b>(2)</b>	<b>28.1%</b>

\* Comparable South African operation exclude Time Square, Carousel, management companies, Morula and Fish River.





# GROUP EFFECTIVE TAX RATE (ETR)

R million	South Africa	Nigeria	Latam	Swaziland	Panama	Colombia	Total
Profit before tax – continuing operations	594	(60)	574	-	-	-	<b>1 108</b>
Profit before tax – discontinuing operations	-	-	-	(7)	(59)	(144)	<b>(210)</b>
Preference share funding	92	-	-	-	-	-	<b>92</b>
Depreciation on non-qualifying buildings	75	-	-	-	-	-	<b>75</b>
Impairment of assets and fair value adjustments	8	-	-	-	-	-	<b>8</b>
Non-deductible expenditure- expenses incurred to produce exempt income	4	-	-	-	-	-	<b>4</b>
Other non-deductible expenditure	151	1	2	-	-	-	<b>154</b>
Movement in put options	27	-	-	-	-	-	<b>27</b>
Exempt Income- other (Lessor contribution, associated income and disposal of income earning structure)	(13)	-	-	-	-	-	<b>(13)</b>
Tax Incentives	(20)	-	-	-	-	-	<b>(20)</b>
Chilean capital gain indexed to inflation	-	-	269	-	-	-	<b>269</b>
Utilisation of tax losses not previously recognised	(79)	-	-	-	-	-	<b>(79)</b>
Tax losses not meeting recognition criteria	464	61	-	-	-	-	<b>525</b>
Discontinued operation	-	-	-	7	59	144	<b>210</b>
<b>Taxable income</b>	<b>1 303</b>	<b>2</b>	<b>845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 150</b>
Statutory tax rate	28.0%	30.0%	27.5%	27.5%	25.0%	34.0%	<b>28.0%</b>
<b>Tax at standard rate</b>	<b>365</b>	<b>-</b>	<b>228</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>593</b>
Withholding and other taxes	5	-	-	-	-	-	<b>5</b>
Adjustment for current tax of prior periods	(12)	-	(48)	-	(2)	-	<b>(62)</b>
Rate change	-	-	10	-	-	-	<b>10</b>
<b>Current tax charge</b>	<b>358</b>	<b>-</b>	<b>190</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>546</b>



# BORROWINGS BY SUBSIDIARY

	Total Borrowings	Minority Share	Attributable to Sun International	Total Borrowings	Minority share	Attributable to Sun International
R million	2018			2017		
<b>South Africa</b>	<b>9 174</b>	<b>1 310</b>	<b>7 864</b>	11 424	1 373	10 051
SunWest	728	256	472	869	305	564
Afrisun Gauteng	608	32	576	580	31	549
Afrisun KZN	276	92	184	284	96	188
Emfuleni	507	76	431	610	91	519
Wild Coast	234	70	164	280	84	196
Meropa	74	21	53	131	38	93
Teemane	73	18	55	75	19	56
Windmill	74	20	54	102	27	75
Worcester	(12)	(4)	(8)	(11)	(4)	(7)
Sun Slots	24	7	17	70	21	49
Time Square	5 070	722	4 348	4 669	665	4 004
Management and corporate	1 518	-	1 518	3 765	-	3 765
<b>Nigeria</b>	<b>602</b>	<b>305</b>	<b>297</b>	493	250	243
Shareholder loans	927	470	457	761	386	375
Sun International inter-company debt	(325)	(165)	(160)	(268)	(136)	(132)
<b>Latam</b>	<b>4 890</b>	<b>1 461</b>	<b>3 429</b>	3 078	1 031	2 047
Sun Dreams	4 103	1 461	2 642	2 267	1 031	1 236
Sun Chile	787	-	787	811	-	811
<b>Total debt</b>	<b>14 666</b>	<b>3 076</b>	<b>11 590</b>	14 995	2 654	12 341



# GROUP STRUCTURE

		Economic interest % *	Slots	Tables	Rooms	
<b>South Africa</b>						
Gauteng	Carnival City	91.2%	1 401	46	105	
	Maslow	100.0%	-	-	281	
	Time Square	82.3%	1 750	60	238	
Western Cape	GrandWest	61.0%	2 563	61	39	
	Table Bay	61.0%	-	-	329	
	Worcester	61.4%	220	6	98	
	Sun Bet	100.0%	-	-	-	
KwaZulu-Natal	Sibaya	63.3%	1 214	48	154	
Limpopo	Meropa	67.6%	417	17	60	
North West	Sun City	100.0%	700	51	1 311	
	Carousel	100.0%	700	25	57	
Northern Cape	Flamingo	71.4%	300	10	-	
Eastern Cape	Boardwalk	81.6%	900	27	140	
	Wild Coast Sun	70.0%	549	19	396	
Free State	Windmill	70.0%	401	18	-	
	Naledi Sun	100.0%	160	-	30	
Management activities	Sun International Management	100.0%	-	-	-	
<b>Other Africa</b>						
Nigeria		49.3%	100	5	146	
Swaziland		50.6%	158	13	351	
<b>Latam</b>						
Chile		64.4%	5 016	227	533	
Panama		64.4%	487	26	-	
Colombia		64.4%	242	11	-	
Peru		64.4%	1 896	87	-	
Argentina		64.4%	695	18	186	
		<b>Economic interest %</b>	<b>LPMs</b>	<b>Sites</b>		
<b>South Africa</b>						
Sun Slots		70.0%	4 040	840		

\* Excluding employee share scheme shareholding percentage.



# ANALYSIS OF MINORITY SHAREHOLDERS

	Profit after tax		% Shareholding		Minority portion including SIEST	
	2018	2017	2018	2017	2018	2017
R million						
<b>South Africa</b>	<b>540</b>	611			<b>(316)</b>	(314)
SunWest	<b>501</b>	502	<b>61.6%</b>	61.6%	<b>(192)</b>	(193)
Sibaya	<b>234</b>	255	<b>63.3%</b>	62.7%	<b>(88)</b>	(94)
Carnival City	<b>84</b>	76	<b>91.2%</b>	91.2%	<b>(7)</b>	(7)
Boardwalk	<b>(28)</b>	(46)	<b>81.6%</b>	81.6%	<b>5</b>	8
Wild Coast Sun	<b>14</b>	8	<b>70.0%</b>	70.0%	<b>(4)</b>	(2)
Meropa	<b>42</b>	53	<b>67.6%</b>	67.6%	<b>(14)</b>	(17)
Windmill	<b>48</b>	34	<b>70.0%</b>	70.0%	<b>(14)</b>	(10)
Flamingo	<b>15</b>	19	<b>71.4%</b>	71.4%	<b>(4)</b>	(5)
Worcester	<b>17</b>	17	<b>61.4%</b>	61.4%	<b>(7)</b>	(7)
Time Square	<b>(362)</b>	(295)	<b>82.3%</b>	82.3%	<b>64</b>	52
<b>South African operations with minorities/SIEST</b>	<b>565</b>	623	-	3.5%	<b>(261)</b>	(275)
<b>Sun Slots</b>	<b>156</b>	114	<b>70.0%</b>	70.0%	<b>(47)</b>	(34)
<b>Management companies with minorities</b>	<b>(181)</b>	(126)	-	-	<b>(8)</b>	(5)
Management and corporate			-		-	-
Manco – NCR	<b>1</b>	-	<b>90.8%</b>	100.0%	<b>(1)</b>	(1)
Manco – GauCR	-	-	<b>77.9%</b>	77.9%	-	-
Manco – Afrisun KZN	<b>18</b>	18	<b>52.3%</b>	47.4%	<b>(8)</b>	(9)
Manco – Flamingo	-	-	<b>50.0%</b>	50.0%	-	-
Manco – Meropa	<b>4</b>	3	<b>50.0%</b>	50.0%	<b>(2)</b>	(2)
Manco – Windmill	<b>2</b>	1	<b>50.0%</b>	50.0%	<b>(1)</b>	(1)
Dinokana	<b>(10)</b>	(9)	<b>93.2%</b>	93.2%	<b>1</b>	1
Royale	-	-	<b>73.3%</b>	73.3%	-	-
SIEST	-	-	-	3.5%	-	-
Center and wholly owned subsidiaries	<b>(196)</b>	(139)	<b>100.0%</b>	100.0%	<b>3</b>	7
<b>Latam</b>	<b>484</b>	202	<b>64.4%</b>	55.0%	<b>(216)</b>	(221)
<b>Nigeria</b>	<b>(57)</b>	(56)	<b>49.3%</b>	49.3%	<b>29</b>	29
<b>Total group – continuing</b>	<b>967</b>	757			<b>(503)</b>	(506)

