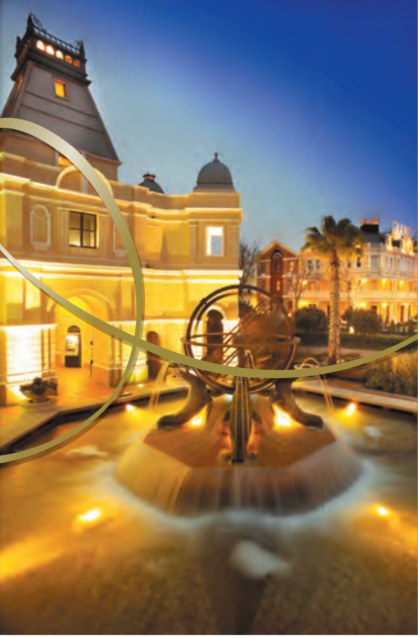


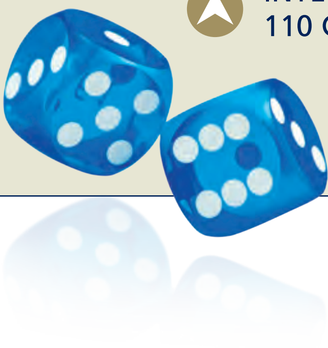
Sun International Limited

Profit and dividend announcement

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

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

- REVENUE +10%
- EBITDA +20%
- ADJUSTED HEPS +39%
- INTERIM GROSS DIVIDEND OF 110 CENTS PER SHARE +22%



Sun International

A Million Thrills. One Destination.

Condensed group statements of comprehensive income

R million	*Six months ended 31 December* 2012 UNAUDITED	% CHANGE	2011 UNAUDITED	*Year ended 30 June* 2012 AUDITED
Revenue				
Casino	**4 208**	10	3 809	7 645
Rooms	**444**	(1)	448	838
Food, beverage and other	**569**	12	509	1 011
	5 221	10	4 766	9 494
Benefit fund surplus	**–**		24	24
Consumables and services	**(551)**		(533)	(1 076)
Depreciation and amortisation	**(412)**		(388)	(818)
Employee costs	**(1 100)**		(1 044)	(2 103)
Levies and VAT on casino revenue	**(989)**		(883)	(1 774)
Promotional and marketing costs	**(389)**		(384)	(698)
Property and equipment rental	**(54)**		(28)	(95)
Property costs	**(261)**		(246)	(485)
Other operational costs	**(409)**		(379)	(759)
Operating profit	**1 056**	17	905	1 710
Foreign exchange profits	**10**		69	79
Interest income	**15**		16	37
Interest expense	**(255)**		(237)	(521)
Profit before tax	**826**		753	1 305
Tax	**(288)**		(308)	(434)
Profit for the period	**538**	21	445	871
Other comprehensive income:				
Net loss on cash flow hedges	**(3)**		–	–
Tax on net loss on cash flow hedges	**1**		–	–
Transfer of hedging reserve to statements of comprehensive income	**2**		1	2
Tax on transfer of hedging reserve to statements of comprehensive income	**(1)**		–	–
Currency translation reserve	**104**		181	233
Total comprehensive income for the period	**641**		627	1 106

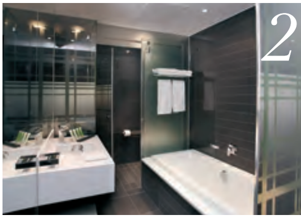
Condensed group statements of comprehensive income *continued*

R million	*Six months ended 31 December* 2012 UNAUDITED	% CHANGE	2011 UNAUDITED	*Year ended 30 June* 2012 AUDITED
Profit for the period attributable to:				
Minorities	**158**		145	239
Ordinary shareholders	**380**		300	632
	538		445	871
Total comprehensive income for the period attributable to:				
Minorities	**193**		199	317
Ordinary shareholders	**448**	5	428	789
	641		627	1 106

	CENTS PER SHARE	% CHANGE	CENTS PER SHARE	CENTS PER SHARE
Earnings per share				
basic	**396**		319	669
diluted	**393**	24	317	664

Condensed group statements of financial position

R million	*Six months ended 31 December* 2012 UNAUDITED	2011 UNAUDITED	*Year ended 30 June* 2012 AUDITED
ASSETS			
Non current assets			
Property, plant and equipment	**10 036**	9 428	9 595
Intangible assets	**490**	446	479
Available-for-sale investment	**48**	48	48
Loans and receivables	**17**	11	23
Pension fund asset	**38**	35	38
Deferred tax	**175**	143	148
	10 804	10 111	10 331
Current assets			
Loans and receivables	**48**	25	38
Tax	**42**	63	57
Accounts receivable and other	**518**	518	543
Cash and cash equivalents	**922**	900	752
	1 530	1 506	1 390
Total assets	**12 334**	11 617	11 721
EQUITY AND LIABILITIES			
Capital and reserves			
Ordinary shareholders' equity	**1 825**	1 129	1 496
Minorities' interests	**1 343**	1 209	1 227
	3 168	2 338	2 723
Non current liabilities			
Deferred tax	**423**	509	423
Borrowings	**3 693**	2 922	4 257
Other non current liabilities	**591**	354	506
	4 707	3 785	5 186
Current liabilities			
Tax	**88**	191	101
Accounts payable and other	**1 240**	1 124	1 289
Borrowings	**3 131**	4 179	2 422
	4 459	5 494	3 812
Total liabilities	**9 166**	9 279	8 998
Total equity and liabilities	**12 334**	11 617	11 721



1 BOARDWALK CASINO
2 THE MASLOW HOTEL BATHROOM
3 AERIAL VIEW OF WILD COAST SUN

Condensed group statements of cash flows

	Six months ended 31 December		*Year ended 30 June*
R million	2012 UNAUDITED	2011 UNAUDITED	2012 AUDITED
Cash generated by operations before:	**1 581**	1 332	2 749
Working capital changes	**15**	(153)	(15)
Cash generated by operations	**1 596**	1 179	2 734
Tax paid	**(307)**	(238)	(531)
Cash generated by operating activities	**1 289**	941	2 203
Cash utilised in investing activities	**(744)**	(597)	(1 160)
Cash realised from investing activities	**6**	47	68
Net cash outflow from financing activities	**(391)**	(283)	(1 158)
Effect of exchange rates upon cash and cash equivalents	**10**	50	57
Increase in cash and cash equivalents	**170**	158	10
Cash and cash equivalents at beginning of the year	**752**	742	742
Cash and cash equivalents at end of the period	**922**	900	752

Group statements of changes in equity

R million	SHARE CAPITAL AND PREMIUM	TREASURY SHARES AND SHARE OPTIONS	FOREIGN CURRENCY TRANS-LATION RESERVE	SHARE BASED PAYMENT RESERVE
Unaudited				
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012				
Balance at 30 June 2012	**277**	**(1 600)**	**228**	**161**
Total comprehensive income for the period	**–**	**–**	**69**	**–**
Treasury share options purchased	**–**	**(8)**	**–**	**–**
Deemed treasury shares purchased	**–**	**(3)**	**–**	**–**
Vested shares	**–**	**14**	**–**	**(14)**
Employee share based payments	**–**	**–**	**–**	**27**
Release of share based payment reserve	**–**	**–**	**–**	**(7)**
Release of SFIR equity option reserve	**–**	**–**	**–**	**(38)**
Delivery of share awards	**–**	**–**	**–**	**–**
Acquisition of minorities' interests	**–**	**–**	**–**	**–**
Dividends paid	**–**	**–**	**–**	**–**
Balance at 31 December 2012	**277**	**(1 597)**	**297**	**129**
Unaudited				
FOR THE SIX MONTHS ENDED 31 DECEMBER 2011				
Balance at 30 June 2011	146	(1 613)	71	193
Total comprehensive income for the period	–	–	128	–
Treasury share options purchased	–	(9)	–	–
Vested shares	–	44	–	(44)
Employee share based payments	–	–	–	33
Release of share based payment reserve	–	–	–	(10)
Delivery of share awards	–	–	–	–
Acquisition of minorities' interests	–	–	–	–
Dividends paid	–	–	–	–
Balance at 31 December 2011	146	(1 578)	199	172
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

Group statements of changes in equity *continued*

AVAILABLE-FOR-SALE RESERVE	RESERVE FOR NON-CONTROLLING RESERVE	HEDGING RESERVE	RETAINED EARNINGS	ORDINARY SHAREHOLDERS' EQUITY	MINORITIES' INTERESTS	TOTAL EQUITY
4	**(2 206)**	**(2)**	**4 634**	**1 496**	**1 227**	**2 723**
–	–	**(1)**	**380**	**448**	**193**	**641**
–	–	–	–	**(8)**	–	**(8)**
–	–	–	–	**(3)**	–	**(3)**
–	–	–	–	–	–	–
–	–	–	–	**27**	–	**27**
–	–	–	**7**	–		–
–	–	–	**38**	–	–	–
–	–	–	**(4)**	**(4)**	–	**(4)**
–	**15**	–	–	**15**	**64**	**79**
–	–	–	**(146)**	**(146)**	**(141)**	**(287)**
4	**(2 191)**	**(3)**	**4 909**	**1 825**	**1 343**	**3 168**
4	(1 470)	(2)	4 188	1 517	1 300	2 817
–	–	–	300	428	199	627
–	–	–	–	(9)	–	(9)
–	–	–	–	–	–	–
–	–	–	–	33	–	33
–	–	–	10	–	–	–
–	–	–	(8)	(8)	–	(8)
–	(718)	–	–	(718)	(79)	(797)
–	–	–	(114)	(114)	(211)	(325)
4	(2 188)	(2)	4 376	1 129	1 209	2 338
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

R million	Six months ended 31 December 2012 UNAUDITED	% CHANGE	Six months ended 31 December 2011 UNAUDITED	Year ended 30 June 2012 AUDITED
EBITDA RECONCILIATION				
Operating profit	**1 056**	17	905	1 710
Expropriation of land – Monticello*	**–**		–	6
Depreciation and amortisation	**412**		388	818
Property and equipment rental	**36**		28	71
Pre-opening Maslow lease rentals*	**18**		–	24
Benefit fund surplus recognition*	**–**		(24)	(24)
Net loss on disposal of property, plant and equipment*	**1**		1	1
Pre-opening expenses*	**29**		1	3
Retrenchment costs*	**–**		–	9
Reversal of Employee Share Trusts' consolidation*	**18**		12	24
EBITDA	**1 570**	20	1 311	2 642
EBITDA margin (%)	**30**		28	28
HEADLINE EARNINGS AND ADJUSTED HEADLINE EARNINGS RECONCILIATION				
Profit attributable to ordinary shareholders	**380**	27	300	632
Headline earnings adjustments	**1**		1	1
Net loss on disposal of property, plant and equipment	**1**		1	1
Minorities' interests on the above items	**(1)**		(1)	–
Headline earnings	**380**	27	300	633
Adjusted headline earnings adjustments	**45**		(57)	(27)
Pre-opening expenses	**29**		1	3
Expropriation of land – Monticello	**–**		–	6
Benefit surplus recognition	**–**		(24)	(24)
Retrenchment costs	**–**		–	9
Pre-opening Maslow lease rentals	**18**		–	24
Foreign exchange profits on intercompany loans	**(2)**		(34)	(45)
Tax on the above items	**(14)**		16	8
CGT	**–**		–	(46)
Tax on termination of management contract	**–**		(22)	(22)
Minorities' interests on the above items	**1**		52	49
Reversal of Employee Share Trusts' consolidation[(i)]	**11**		9	21
Adjusted headline earnings	**423**	42	298	616

R million	*Six months ended 31 December* 2012 UNAUDITED	% CHANGE	2011 UNAUDITED	*Year ended 30 June* 2012 AUDITED
Number of shares ('000)				
– in issue	**96 002**		94 341	95 903
– for EPS calculation	**95 900**		93 955	94 437
– for diluted EPS calculation	**96 654**		94 735	95 207
– for adjusted headline EPS calculation(i)	**102 938**		100 546	100 941
– for diluted adjusted headline EPS calculation(i)	**103 691**		101 326	101 711
Earnings per share (cents)				
– basic earnings per share	**396**	24	319	669
– headline earnings per share	**396**	24	319	670
– adjusted headline earnings per share	**411**	39	296	610
– diluted basic earnings per share	**393**	24	317	664
– diluted headline earnings per share	**393**	24	317	665
– diluted adjusted headline earnings per share	**408**	39	294	606
Tax rate reconciliation (%)				
Effective tax rate	**35**		41	33
Preference share dividends	**(3)**		(3)	(4)
STC	**–**		(7)	(5)
Prior year (under)/over-provisions	**(2)**		(1)	2
Foreign taxes	**1**		1	1
Release of CGT on share premium distributions	**–**		–	4
Capital allowances and disallowed expenditure	**(3)**		(3)	(3)
SA corporate tax rate	**28**		28	28
EBITDA to interest (times)	**6.3**		5.8	5.3
Annualised borrowings to EBITDA (times)	**2.35**		2.74	2.53
Net asset value per share (Rand)	**19.01**		11.97	15.60
Capital expenditure	**704**		597	1 150
Capital commitments				
– contracted	**230**		425	625
– authorised but not contracted	**751**		722	1 021
	981		1 147	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.

CARNIVAL CITY *Brakpan*

ACCOUNTING POLICIES

The condensed consolidated financial information for the six months ended 31 December 2012 has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS), the presentation and disclosure requirements of IAS 34 – Interim Financial Reporting, the Companies Act no. 71 of 2008 and AC 500 standards issued by the Accounting Practices Board. The accounting policies applied are consistent with those adopted in the financial statements for the year ended 30 June 2012.

EARNINGS AND DIVIDEND

The results for the six months ended 31 December 2012 reflect satisfactory growth in revenue as well as margin improvements resulting in excellent growth in EBITDA.

Revenue for the period was 10% ahead of the 6 months ended 31 December 2011 ("last year") at R5.2 billion. EBITDA of R1.6 billion was 20% higher, with the EBITDA margin increasing 2.6 percentage points (pp) to 30.1%.

Levies and VAT on casino revenue increased by 12% due to the higher revenue and increases in certain provincial gaming levy rates. Property and equipment rentals include the pre-opening rentals for the Maslow hotel of R18 million.

The foreign exchange profit of R10 million was below last year (R69 million) mainly due to the Rand depreciating by 2% against the US Dollar in the current period compared to a depreciation of 21% last year.

Net interest paid increased to R240 million (+9%) as a result of the debt funding raised for the GPI and RAH transactions that were concluded in December 2011, and the completion of the Boardwalk and Wild Coast capital expenditure.

The tax charge of R288 million decreased by 6% due mainly to the abolition of STC from 1 April 2012. The effective tax rate, however, excluding non-deductible preference share dividends, STC, CGT and prior year under provisions, remained unchanged at 30%.

Adjusted headline earnings of R423 million and diluted adjusted headline earnings per share of 408 cents were 42% and 39% above last year, respectively. Excluding the impact of foreign currency movements and STC, adjusted headline earnings per share increased by 35%.

The board has declared an interim dividend of 110 cents (90 cents) per share.

The results for the six months ended 31 December 2012 reflect satisfactory growth in revenue as well as margin improvements resulting in excellent growth in EBITDA.

Segmental analysis

R million	REVENUE* Six months to 31 December 2012	2011	Year ended 30 June 2012	EBITDA Six months to 31 December 2012	2011	Year ended 30 June 2012
GrandWest	**928**	882	1 779	**387**	367	746
Monticello	**807**	618	1 270	**195**	127	262
Sun City	**653**	636	1 230	**89**	79	116
Carnival City	**554**	502	1 017	**173**	141	298
Sibaya	**524**	482	980	**178**	165	343
Boardwalk	**236**	226	451	**71**	80	147
Wild Coast Sun	**195**	151	308	**33**	17	32
Carousel	**166**	158	312	**36**	31	60
Meropa	**156**	137	274	**63**	55	108
Windmill	**134**	119	238	**50**	40	84
Morula	**124**	128	248	**18**	22	35
Federal Palace	**101**	86	173	**15**	6	11
Botswana	**89**	86	170	**22**	26	48
Zambia	**87**	85	167	**18**	20	36
Swaziland	**84**	83	149	**5**	(5)	(13)
Flamingo	**79**	76	146	**24**	22	40
Table Bay	**77**	69	153	**6**	(1)	7
Golden Valley	**66**	64	128	**15**	15	33
Lesotho	**60**	53	106	**9**	7	12
Kalahari Sands	**55**	54	108	**8**	6	12
Other operating segments	**22**	20	34	**(8)**	(11)	(19)
Management activities	**323**	292	590	**164**	122	260
Total operating segments	**5 520**	5 007	10 031	**1 571**	1 331	2 658
Central office and other eliminations	**(299)**	(241)	(537)	**(1)**	(20)	(16)
Other income (ii)				**–**	–	–
Other expenses (ii)				**–**	–	–
	5 221	4 766	9 494	**1 570**	1 311	2 642

* December 2011 revenues have been adjusted to exclude internal promotional allowances which were previously included in revenue.

(ii) Refer to EBITDA reconciliation denoted*

	EBITDA MARGIN (%)			OPERATING PROFIT		
	Six months to 31 December		*Year ended 30 June*	*Six months to 31 December*		*Year ended 30 June*
	2012	2011	2012	2012	2011	2012
	41.7	41.6	41.9	**333**	310	607
	24.2	20.6	20.6	**115**	57	120
	13.6	12.4	9.4	**30**	22	(2)
	31.2	28.1	29.3	**132**	99	219
	34.0	34.2	35.0	**144**	132	277
	30.1	35.4	32.6	**41**	61	99
	16.9	11.3	10.4	**13**	3	(4)
	21.7	19.6	19.2	**24**	19	37
	40.4	40.1	39.4	**53**	45	88
	37.3	33.6	35.3	**42**	32	68
	14.5	17.2	14.1	**10**	14	18
	14.9	7.0	6.4	**2**	(7)	(14)
	24.7	30.2	28.2	**17**	20	36
	20.7	23.5	21.6	**11**	12	28
	6.0	(6.0)	(8.7)	**1**	(9)	(20)
	30.4	28.9	27.4	**18**	16	21
	7.8	(1.4)	4.6	**(3)**	(10)	(14)
	22.7	23.4	25.8	**6**	6	16
	15.0	13.2	11.3	**2**	–	(1)
	14.5	11.1	11.1	**(4)**	(6)	(12)
	(36.4)	(55.0)	(55.9)	**(10)**	(12)	(22)
	50.8	41.8	44.1	**145**	115	233
	28.5	26.6	26.5	**1 122**	919	1 778
	–	–	–	**–**	(24)	(25)
	–	–	–	**–**	24	24
	–	–	–	**(66)**	(14)	(67)
	30.1	27.5	27.8	**1 056**	905	1 710

GAMING DIVISION

Gaming revenue was 11% ahead of last year at R3.9 billion with slots and tables revenue 11% and 9% up respectively. Excluding Monticello, gaming revenue was 7% ahead of last year. A review of the larger properties follows:

GrandWest revenue and EBITDA were 5% ahead of last year at R928 million and R387 million respectively. Despite the relatively low increase in revenue, good cost control resulted in the EBITDA margin being maintained.

Monticello revenue increased 31% to R807 million driven by strong slots performance. EBITDA increased 54% to R195 million as a result of higher revenues and cost containment improving the EBITDA margin by 3.6pp to 24.2%. In local currency, revenue and EBITDA increased by 15% and 36% respectively. Monticello's competitor for the Santiago market continues to establish itself, resulting in our share of the Santiago market declining 2.2pp to 67.5%. New anti-smoking legislation is to be introduced in Chile and is anticipated to have a negative impact on gaming revenue in the short term.

Carnival City's revenue of R554 million was 10% ahead of last year driven mainly by strong performance in tables. The strong revenue growth, efficiency improvements and good cost control resulted in the EBITDA margin increasing 3.1pp to 31.2% and EBITDA increasing 23% to R173 million. The group's share (Carnival City and Morula) of the Gauteng gaming market declined marginally by 0.3pp to 19.6%, as a consequence of a large jackpot won at Carnival City during the period.

Sibaya revenue at R524 million was up 9% and EBITDA grew 8% to R178 million. The EBITDA margin of 34% was 0.2pp below last year mainly due to the increase in gaming levy rates in the current year and additional promotional spend during the period under review. The gaming levies changed in November resulting in a R0.7 million increase in gaming levies and VAT (the effective rate changed from 23% to 24%). Sibaya's share of the KwaZulu-Natal market (35.3%) was marginally lower than last year (35.5%).

Boardwalk revenue increased 4% to R236 million but EBITDA declined 11% to R71 million. The new hotel and conference centre opened during December and the refurbishment of the existing gaming floor and the ancillary facilities were completed during the period, resulting in some disruption. The economic environment in Port Elizabeth remains tough and with the larger gaming floor and new facilities, costs have increased placing further pressure on the EBITDA margin which declined 5.3pp to 30.1%. We are confident that the new facilities will position the property for future growth.

HOTELS AND RESORTS

In an environment that continues to be challenging, the Hotels and Resorts division achieved revenue of R1.3 billion, 6% up on last year, with an occupancy of 61.3%, 2.0pp below last year (due to the additional room nights available at Wild Coast Sun). The ADR increased by 6% to R1 258.

South African Hotels

In South Africa, the hotel and resort portfolio (Sun City, Wild Coast Sun and The Table Bay), grew revenues over last year by 8% to R925 million. Room nights sold improved by 2.5% in number but, given the higher number of rooms available in the year, occupancy declined by 3pp to 62%. The ADR improved marginally to R1 192.

		Six months ended 31 December		
		2012		2011
Sun City	Occupancy	**62.2%**	(5pp)	67.3%
	ADR	**R1 582**	6%	R1 489
Wild Coast Sun	Occupancy	**76.1%**	(7pp)	83.1%
	ADR	**R638**	26%	R507
The Table Bay Hotel	Occupancy	**44.5%**	3pp	41.7%
	ADR	**R2 082**	5%	R1 988

Sun City's revenue improved by 3% over the prior year to R653 million. International room nights sold improved by 10%, in line with the international arrivals growth reported by SA Tourism. However, the local conference and meetings business has been disappointing with a decline of 27% in room nights sold to these segments resulting in the overall decline in occupancies. The ADR was ahead of last year due to better room rate yields and an improved accommodation mix. Through cost control and process improvements Sun City achieved an EBITDA growth of 13% to R89 million.

Wild Coast Sun improved its revenue 29% to R195 million and EBITDA 94% to R33 million. The Wild Coast Sun development was completed by June 2012 increasing the rooms to 396 from 258. Room nights sold increased 40% from 39 510 to 55 419.

Table Bay Hotel improved its performance in the context of another difficult six months as a result of the oversupply of inventory in the Cape Town market. ADR increased as a result of additional international traveller room nights sold and the growth in the local corporate market. Revenue of R77 million was 12% ahead of last year resulting in EBITDA of R6 million (2011:R1 million loss).

African Hotels

In the rest of Africa, the hotel and resort portfolio (Zambia, Nigeria, Botswana, Swaziland and Namibia) grew revenues over last year by 6% to R416 million. A decline in occupancy of 1pp to 60% was offset by the ADR which improved by 9% to R987. Casino revenues at R169 million reflected growth of 8% over last year.

		Six months ended 31 December		
		2012		2011
Royal Livingstone and Zambezi Sun	Occupancy	**40.1%**	(6pp)	46.1%
	ADR	**R1 823**	15%	R1 590
Gaborone Sun	Occupancy	**78.3%**	(1pp)	79.0%
	ADR	**R744**	9%	R685
The Federal Palace	Occupancy	**60.9%**	(4pp)	65.2%
	ADR	**R2 035**	5%	R1 931

The Royal Livingstone and **Zambezi Sun** have been adversely affected by the introduction of a yellow fever vaccination requirement by South Africa for all travellers to and from this destination. This barrier (along with the associated cost) as well as the generally high cost of this destination (visas, park fees and taxes) is impacting on the competitiveness of Zambia. The increased ADR is a result of exchange rate movements. Excluding the impact of exchange rates, the ADR would be 4% higher than last year.

Gaborone Sun and the other Botswana operations achieved revenue of R89 million (+4%). EBITDA was 15% lower than last year at R22 million with margins negatively impacted by legal fees incurred relating to the successful appeal of the awarding of a fourth casino licence, as well as increased utility and marketing costs.

In Nigeria, **The Federal Palace** generated revenue of R101 million, 17% above last year. The increased revenue was generated by the casino which achieved encouraging revenue growth of 45%. Occupancies declined as a result of the closure of the mainland bridge for three months restricting access to Victoria Island. EBITDA at R15 million was 150% ahead of last year, with the EBITDA margin of 14.9%, 7.9pp higher than last year.

MANAGEMENT ACTIVITIES

Management fees and related income of R323 million was 11% ahead of last year. EBITDA of R164 million was up 34% due to lower costs incurred on new project development and certain one-off employee related costs incurred last year.

FINANCIAL POSITION

The group's borrowings at 31 December 2012 increased marginally from 30 June 2012, by R0.1 billion to R6.8 billion. Strong cash flows generated by operations have offset the debt required for the Boardwalk and Maslow expansions.

Third party borrowings

R million	31 December 2012 BORROWINGS	31 December 2012 INTER-GROUP BORROWINGS	31 December 2012 THIRD PARTY BORROWINGS	31 December 2011 THIRD PARTY BORROWINGS	30 June 2012 THIRD PARTY BORROWINGS
SunWest International (Pty) Ltd	**726**	–	**726**	787	723
Emfuleni Resorts (Pty) Ltd	**704**	–	**704**	319	461
SFI Resorts SA (Monticello)	**651**	**(90)**	**561**	639	627
Afrisun Gauteng (Pty) Ltd	**492**	–	**492**	485	461
Afrisun KZN (Pty) Ltd	**344**	–	**344**	354	304
Transkei Sun International Limited	**341**	**(12)**	**329**	338	343
The Tourist Company of Nigeria Plc (TCN)	**413**	**(144)**	**269**	247	257
Mangaung Sun (Pty) Ltd	**143**	–	**143**	102	124
Worcester Casino (Pty) Ltd	**136**	–	**136**	148	142
Meropa Leisure and Entertainment (Pty) Ltd	**115**	–	**115**	118	110
Teemane (Pty) Ltd	**70**	–	**70**	73	71
Swazispa Holdings Limited	**19**	–	**19**	2	24
Lesotho Sun (Pty) Ltd	**21**	**(17)**	**4**	6	6
Sun International Botswana (Pty) Ltd	**2**	–	**2**	3	3
Sands Hotels (Pty) Ltd	**21**	**(19)**	**2**	2	2
Central office	**2 392**	**282**	**2 674**	3 259	2 791
	6 590	–	**6 590**	6 882	6 449
Employee Share Trusts	**234**	–	**234**	219	230
	6 824	–	**6 824**	7 101	6 679

Capital expenditure incurred during the six months

R million

Expansionary:	
Boardwalk	253
Maslow	187
Monticello*	26
	466
Refurbishment:	
Zambia	14
Sun City	12
Carousel	4
Wild Coast	2
Lesotho	1
	33
Other ongoing asset replacement	**205**
Total capital expenditure	**704**

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

DEVELOPMENTS

The Maslow Hotel

The 281 room 4 star Maslow hotel refurbishment in Sandton was completed on schedule in mid December at a cost of R254 million. The Maslow opened to the public on 7 January 2013 and has been well received. Trading to date has been encouraging and the group is optimistic that the hotel will become the preferred choice in Sandton for business and leisure travellers.

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 R1 billion. To date R850 million has been spent on the project with the balance to be spent by 30 June 2013.

GRANDWEST EXCLUSIVITY

In January 2013 the Western Cape Provincial Treasury released to industry participants a redacted version of the 2010 report of the Bureau of Economic research (BER) of Stellenbosch University. This was accompanied by the re-issuing of the invitation to GrandWest (and other interested parties) to provide updated information and comment on the BER report. We continue to pro-actively engage with the authorities in this regard.

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 group is planning to fit out and equip the casino with 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 acquisition is subject to the country's regulator approving an application by the group for a casino licence. The licensing process is expected to take six months and will entail the completion of standard probity investigations. Should the licence application be approved, the group will acquire the various components for a consideration of US$45.5 million where after it will fit out the casino and related facilities at an estimated cost of US$60 million over an approximate nine month period.

This opportunity is in line with the group's strategic intent to focus on the Latam region and build on our track record in Chile. It will create greater brand awareness and should significantly enhance our ability to access other opportunities in the region.

Sun International has issued a $10 million bank guarantee to the seller which will be released once the objective criteria required to obtain a gaming licence in Panama has been met, which is expected to be before the end of the financial year.

DIRECTORATE

As previously announced on SENS, Peter Bacon has joined the board as a non-executive director and with effect from 1 February 2013, the appointment of Graeme Stephens as Chief Executive became effective. He replaces Garth Collins who has been Acting Chief Executive since November 2011. The Chairman and Board of Directors extends its appreciation to Mr Collins for his service to the Sun International group during his 46 year long career and for his contribution to the board during his appointment as Acting Chief Executive. Mr Collins will remain with Sun International until 30 June 2013 to assist with the handover of his responsibilities.

Further to the above changes and as communicated on SENS on 18 February 2013, Rob Becker will, by way of mutual agreement with the Company, step down as Chief Financial Officer and executive director of Sun International with effect from 28 February 2013. The Chairman and Board of Directors extend their appreciation to Mr Becker for his dedicated and outstanding contribution to the Sun International group during his tenure and wish him well in his future career.

In accordance with the Company's executive succession plan, Mr Anthony Leeming, BComm, BAcc, CA (SA) will be succeeding Mr Becker and will be appointed as the Chief Financial Officer and an executive director of Sun International with effect from 1 March 2013. Mr Leeming has over 13 years' experience in the hotels, resorts and gaming industries having joined Sun International in 1999 as the Group Financial Manager. He was appointed as a Director of Sun International Management Limited on 1 July 2009, with responsibility for the group's corporate finance and debt funding and has been integrally involved in all aspects of the group's financial affairs.

OUTLOOK

Further gradual improvement in the trading environment is anticipated in the second half of the year.

Higher capital charges and rentals from the Maslow and Boardwalk expansions, together with the deferred tax credits raised in the prior year will likely result in the growth in adjusted headline earnings per share being lower than that experienced in the first half of the year.

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)*

Registered office: 27 Fredman Drive, Sandown, Sandton 2196 **Sponsor:** Investec 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, RP Becker CA(SA) MBA.

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

Group Secretary: CA Reddiar 22 February 2013

DECLARATION OF INTERIM DIVIDEND

Notice is hereby given that a gross interim dividend of 110 cents per share for the half year ended 31 December 2012 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 113 487 165. The company has limited STC to be utilised to the value of 24.04809 cents per share resulting in a net dividend of 97.10721 cents per share for those shareholders who are not exempt from dividend tax. The salient dates applicable to the interim dividend are as follows:

	2013
Last day to trade *cum* interim dividend	Thursday, 14 March
First day to trade *ex* interim dividend	Friday, 15 March
Record date	Friday, 22 March
Payment date	Monday, 25 March

No share certificates may be dematerialised or rematerialised between Friday, 15 March and Friday, 22 March 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)* 22 February 2013 www.suninternational.com