



— ♣ —
**RESULTS
PRESENTATION**

2014

— ♣ —

*Sun International
Limited*



Sun International

A Million Thrills. One Destination.



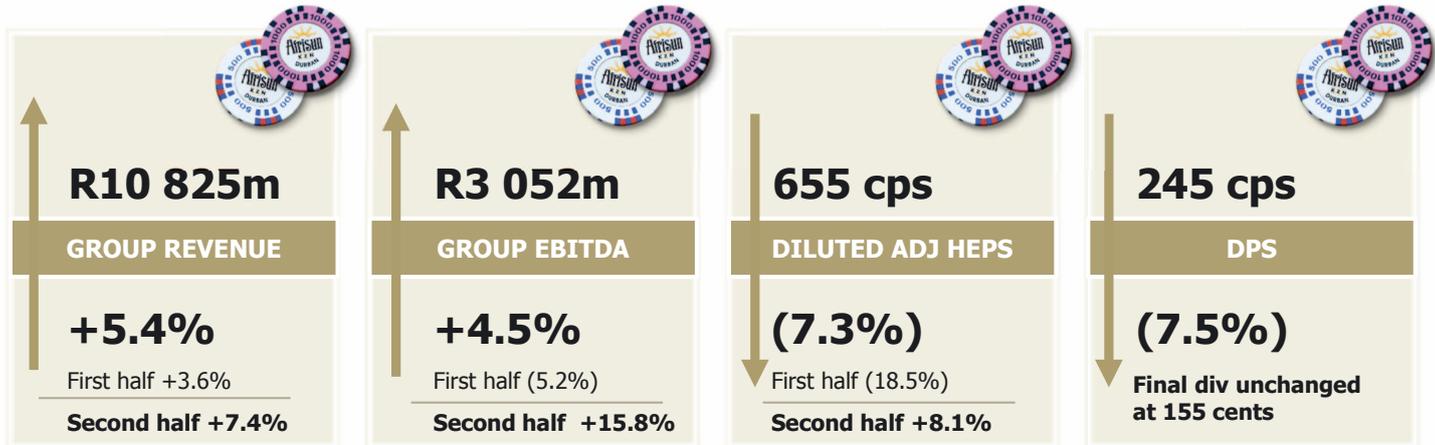
Sibaya

OVERVIEW





Key indicators





Boardwalk





Zambezi Sun

Key strategic focus areas



**Improve our
existing
operations and
guest experience**

OPERATIONS



**Protect and
leverage our
existing asset
portfolio**

**EXISTING
ASSETS**



**Grow our
business into new
areas and
products**

GROWTH



Our People

PEOPLE

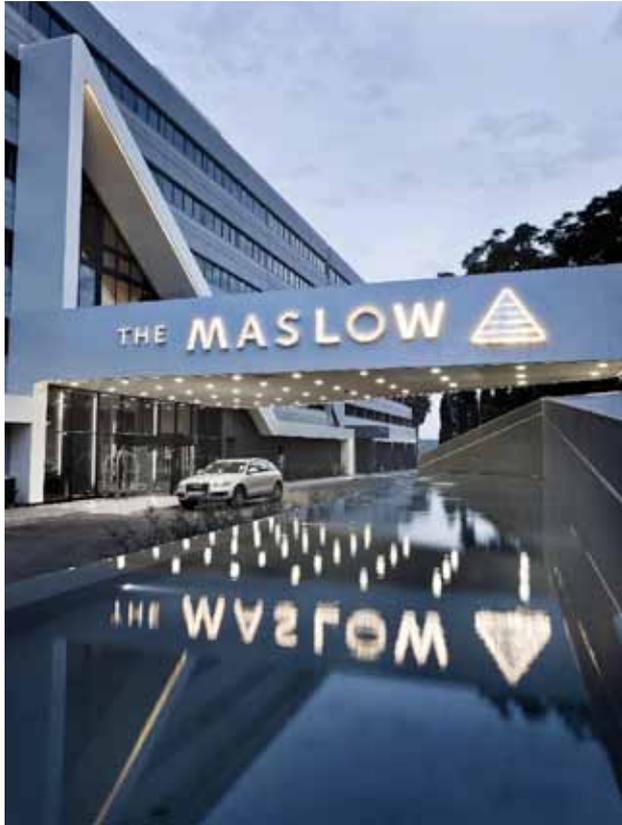


**Governance
& Sustainability**

REPUTATION



Operations: Improving existing operations and guest experience



The Maslow



- **Improve marketing and sales capability:**
 - Roll out new brand
 - Launch Sun Rewards program
 - Improve Sun International website:
 - Enhance ability to book online
 - Improve website ranking
 - Improve promotional ROI
 - Leverage our MVG database
- **Review business processes to achieve efficiencies:**
 - Outsourced contracts review
 - Leverage EGS and align business processes
 - Implement ERP
 - Complete s189 restructure
 - Standardise scheduling
- **Implement Food and Beverage strategy:**
 - Establish and build a management team
 - Insource F&B were relevant
 - F & B calendar
- **Sun City:**
 - Improve sales channels
 - Improve operating and management structures
 - Develop MICE strategy





Royal Livingstone

Existing Assets: Protect and leverage existing asset portfolio



- **GrandWest:**
 - Complete GPI/Tsogo transaction
- **Morula Relocation:**
 - Agree conditions of licence with the GGB
 - Deal with objections
 - Complete planning and commence development
- **Monticello:**
 - Complete Monticello acquisition
- **Africa:**
 - Implement Minor transaction
 - Nigeria:
 - Resolve shareholder issues
 - Seek to fully develop property and realise value
 - Complete Zambezi Sun refurbishment
- **Existing properties:**
 - Ensure we remain relevant and have the appropriate offerings



Growth: Growing our business into new areas & products



Ocean Club Casino - Panama



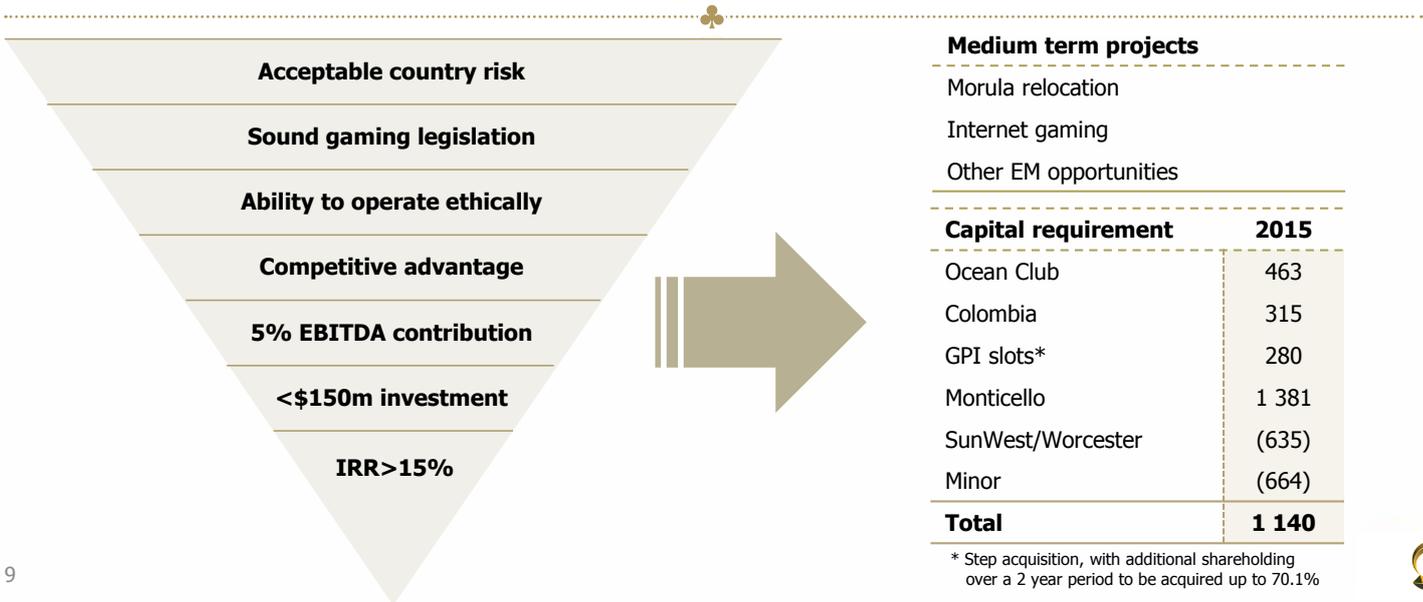
- **Online gaming and betting:**
 - Further online gaming strategy
- **LPMs and EBTs:**
 - Conclude acquisition of GPI slots
 - Monitor EBT developments
 - Evaluate other opportunities
- **International VIP:**
 - Finalise North West legislation
 - Source VIPs
- **Panama:**
 - Complete development and successfully open
 - Develop LATAM VIP business
- **Cartagena:**
 - Complete development of casino
 - Successfully open and run
- **Actively exploring opportunities including M&A possibilities in LATAM**
- **Actively seek appropriate opportunities in high growth Asian markets**





Sibaya

Allocating our capital



Acceptable country risk

Sound gaming legislation

Ability to operate ethically

Competitive advantage

5% EBITDA contribution

<\$150m investment

IRR>15%

Medium term projects

Morula relocation

Internet gaming

Other EM opportunities

Capital requirement 2015

Ocean Club 463

Colombia 315

GPI slots* 280

Monticello 1 381

SunWest/Worcester (635)

Minor (664)

Total 1 140

* Step acquisition, with additional shareholding over a 2 year period to be acquired up to 70.1%





People: Investing in our people



- **Employee culture and values:**
 - Rebuild following s189 restructure
- **High performance culture:**
 - Embed performance management
 - Significantly improve L & D capability
 - Strong focus on talent management
- **Transformation goals:**
 - Establish new targets post s189 restructure
 - Develop 5 year EE plan
- **Succession planning:**
 - Implement group talent management strategy
 - Implement graduate training program
 - Determine appropriate employment policies



The Palace

Reputation: Governance and sustainability



- **Corporate responsibility:**
 - Finalise carbon footprint strategy
 - Embed group compliance with specific focus on gaming compliance
 - Improve SED initiatives
- **Improve stakeholder engagement:**
 - Build relationships and trust with gaming boards
 - Continue to build Union relationship in particular following s189
 - Continue to improve shareholder and analyst engagement
- **Maintain inclusion in the SRI index**





Monticello



Income Statement - Management



Rm	Six months ended 31 December			Six months ended 30 June			Year ended 30 June		
	2013	change %	2012	2014	change %	2013	2014	change %	2013
Revenue	5 407	3.6%	5 221	5 418	7.4%	5 046	10 825	5.4%	10 267
Casino	4 221	0.3%	4 208	4 248	6.5%	3 987	8 469	3.3%	8 195
Rooms	558	25.7%	444	556	8.4%	513	1 114	16.4%	957
Food, beverage and other	628	10.4%	569	614	12.5%	546	1 242	11.4%	1 115
Direct costs	(2 426)	(4.7%)	(2 317)	(2 403)	(5.0%)	(2 288)	(4 829)	(4.9%)	(4 605)
Casino	(1 700)	(0.4%)	(1 694)	(1 681)	(3.7%)	(1 621)	(3 381)	(2.0%)	(3 315)
Rooms	(174)	(26.1%)	(138)	(185)	(11.4%)	(166)	(359)	(18.1%)	(304)
Food, beverage and other	(552)	(13.8%)	(485)	(537)	(7.2%)	(501)	(1 089)	(10.4%)	(986)
Gross profit	2 981	2.7%	2 904	3 015	9.3%	2 758	5 996	5.9%	5 662
Indirect costs	(1 492)	(11.8%)	(1 334)	(1 452)	(3.1%)	(1 408)	(2 944)	(7.4%)	(2 742)
EBITDA	1 489	(5.2%)	1 570	1 563	15.8%	1 350	3 052	4.5%	2 920
Depreciation & amortisation	(464)	(12.6%)	(412)	(494)	(12.5%)	(439)	(958)	(12.6%)	(851)
Property and equipment rentals	(73)	(102.8%)	(36)	(75)	(10.3%)	(68)	(148)	(42.3%)	(104)
Profit from operations	952	(15.2%)	1 122	994	17.9%	843	1 946	(1.0%)	1 965
Foreign exchange profits	-		8	(1)	(110.0%)	10	(1)	(105.6%)	18
Net interest paid	(239)	(4.8%)	(228)	(241)	(17.6%)	(205)	(480)	(10.9%)	(433)
Profit before tax	713	(21.0%)	902	752	16.0%	648	1 465	(5.5%)	1 550
Tax	(255)	15.6%	(302)	(224)	(29.5%)	(173)	(479)	(0.8%)	(475)
Profit after tax	458	(23.7%)	600	528	11.2%	475	986	(8.3%)	1 075
Minorities	(110)	37.9%	(177)	(193)	(14.9%)	(168)	(303)	12.2%	(345)
Adjusted Headline Earnings	348	(17.7%)	423	335	9.1%	307	683	(6.4%)	730

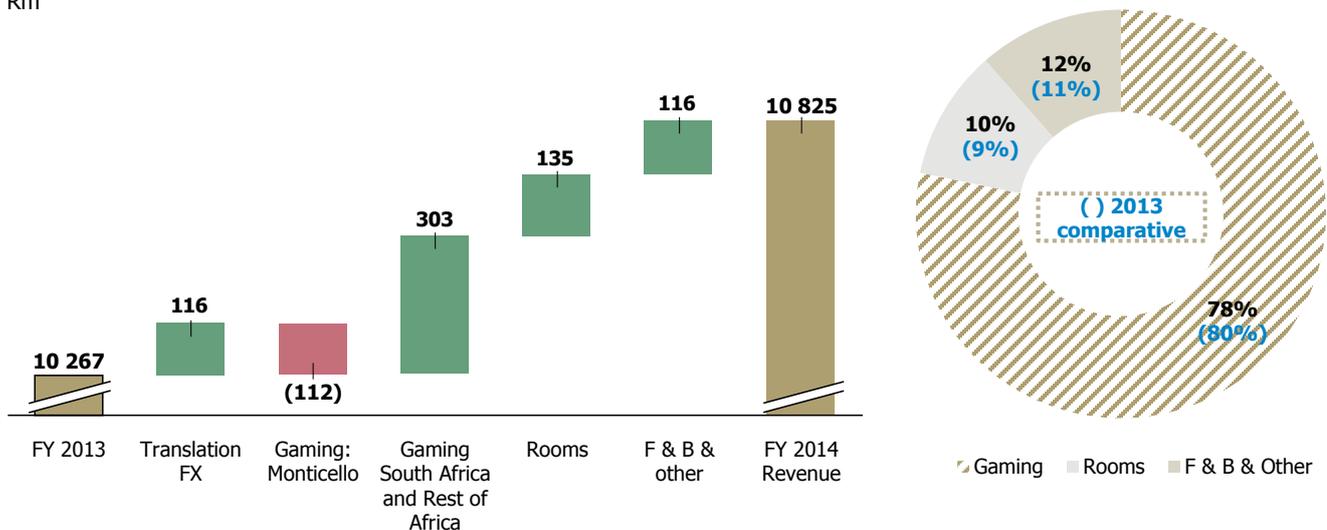
Includes adjusted headline earnings adjustments



Revenue by category

Growth in group revenue by category

Rm

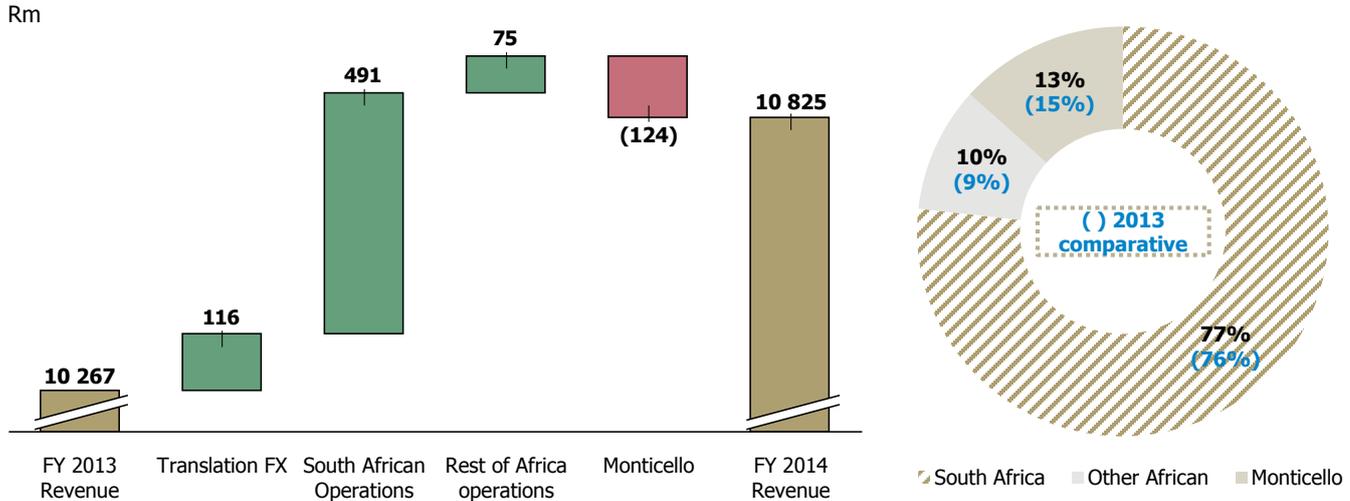


- Revenue up 5.4% on FY 2013
- Gaming revenue up 3% with H1: +0.3% and H2: +6.5%
- Rooms revenue grew 16% assisted by the opening of the Maslow and Boardwalk hotels (10% on a comparative basis)
- Food and Beverage increased 17% (12% on a comparative basis)



Revenue by geography

Growth in group revenue by geography



- **South African revenue increased 6.3%:**

- Gaming H1: +2.6%; H2 +6.4%

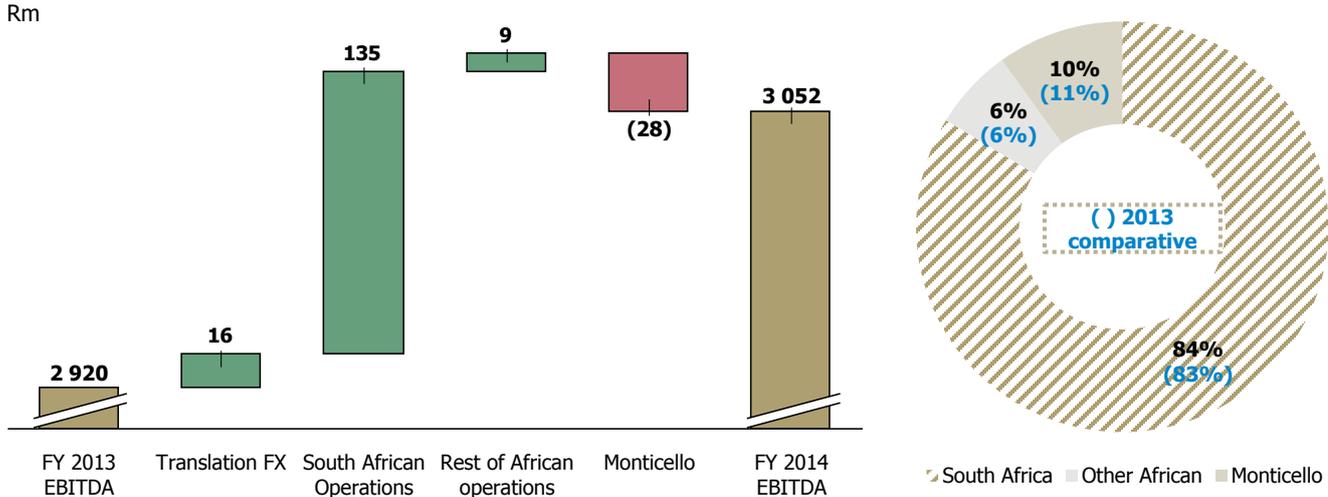
- **Monticello revenue down 8.3%:**

- Gaming H1: (22%); H2: +10%



Group EBITDA

Growth in group EBITDA by geography



- **Group EBITDA at R3.1bn up 4.5% on last year:**

- EBITDA margin marginally below the prior year
 - H1: 27.5% (2013: 30.1%); H2: 28.8% (2013: 26.8%)

- **H2 EBITDA increased by 16% offsetting the 5% decline in H1**

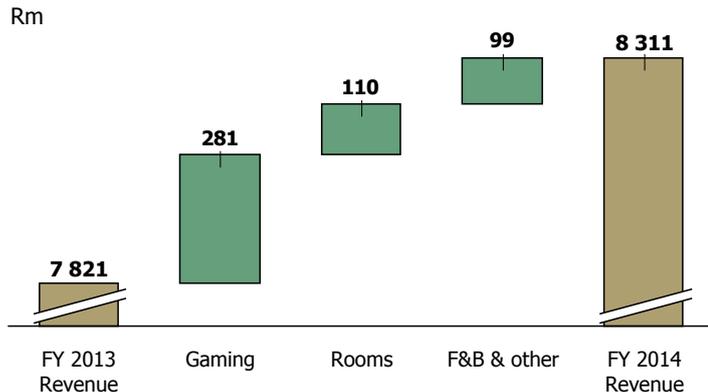
- **SA EBITDA up 12% in H2 versus only 0.8% in H1**

- **Monticello EBITDA up 56% in H2 versus a decline of 45% in H1**



South Africa: Revenue & cost saving initiatives showing signs of delivery

SA Revenue



- **SA contributed 76.8% (76.2%) of group revenue of which 81.1% (82.6%) was from gaming**
 - **Gaming market share:**
 - 18.6% (19.0%) share of the Gauteng gaming market (H2:19.0% (up 0.8% from H1))
 - 35.9% (35.3%) share of the KZN gaming market
 - **SA rooms revenue up 17.2% (7.8% comparative) assisted by opening of the Boardwalk and Maslow hotels:**
 - Group occupancy of 68.3% up 2.4%
- 17 - Average daily rate of R1 145 up on 0.5% on last year

SA Gaming Revenue

Rm	First half		Second half		Year to June	
	CY change	%	CY change	%	CY change	%
South Africa	3 371	2.6	3 367	6.2	6 738	4.4
GrandWest	984	7.8	1 007	6.2	1 991	8.6
Sibaya	541	6.3	529	5.2	1 070	5.7
Carnival City	508	(5.6)	506	2.6	1 014	(1.6)
Sun City	265	14.7	254	17.6	519	16.1
Boardwalk	259	11.2	254	4.5	513	7.8
Other	814	(5.8)	817	3.0	1 631	(1.6)

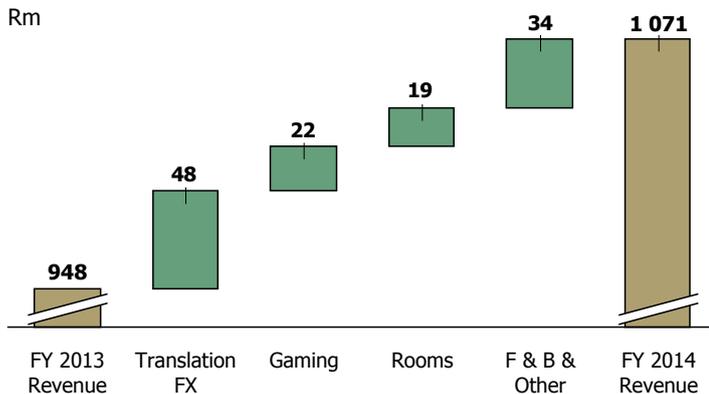
Occupancies for key properties

	Occupancy %		ADR	
	FY 2014	% change	FY 2014	% change
Sun City	64.3	0.7	R1 639	1.4
Wild Coast Sun	80.6	2.3	R445	(31.2)
Table Bay Hotel	68.3	15.3	R2 121	1.7
Maslow	56.0	19.7	R1 098	(2.8)



Other African: Positive growth in gaming and rooms

Other African revenue



Occupancies for key properties

	Occupancy %		ADR	
	FY 2014	% change	FY 2014	% change
Zambia	43.1	3.3	R1 965	7.5
Gaborone Sun	71.6	(5.8)	R889	12.2
Federal Palace	63.8	(3.8)	R2 486	16.1
Kalahari Sands	66.3	12.8	R726	7.9

- **EBITDA margin was flat on last year at 18.2%:**

- Strongest EBITDA growth from Kalahari Sands (R21m or 115.9%)

- **Africa gaming revenue performed well with revenue growing 5.7% yoy in constant currency:**

- Growth driven mainly by Kalahari Sands with gaming revenue up by 33.6%

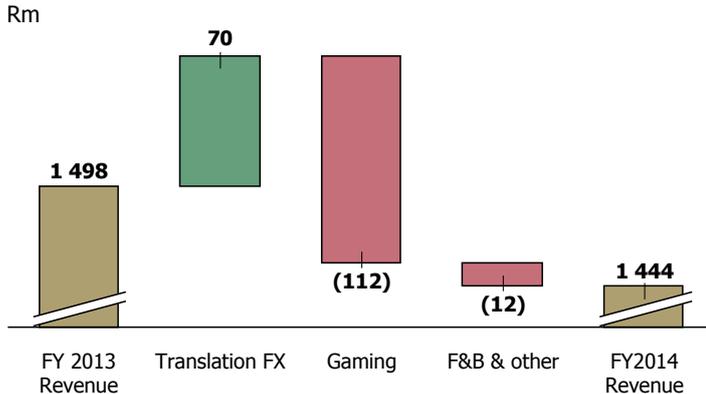
- **Rooms revenue up 6.2% in constant currency with occupancies up 3.0%:**

- Rooms revenue declined in constant currency at Federal Palace and Botswana

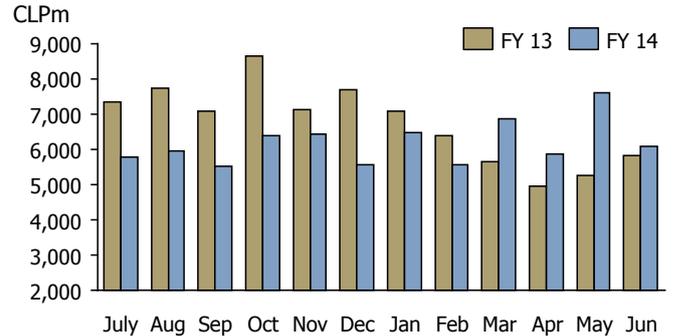


Monticello: Strong recovery in second half

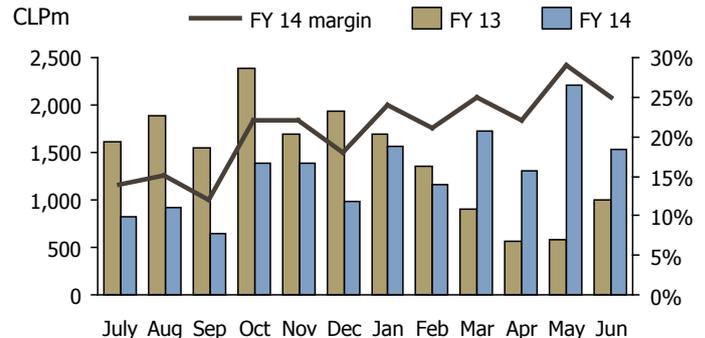
Monticello Revenue



Revenue: month on month analysis



EBITDA: month on month analysis

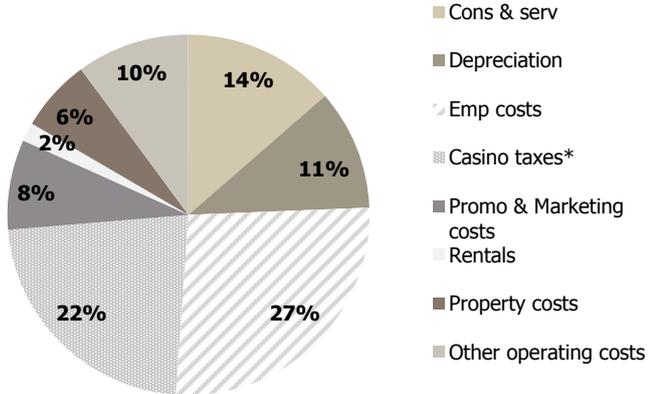


- **Gaming revenue declined 8.3% on 2013:**
 - H1 (22%)
 - H2 +10%
 - Apr – Jun 14 +22.6% vs. prior year of (22.1%)
- **Due to the impact of the anti-smoking legislation:**
 - 4 smoking decks opening in H1
 - Staff restructured in Sep 13
- **Market share increased 4.4% to 71.3%**
- **Overall EBITDA margin in line with prior year:**
 - H2 EBITDA margin of 24.7% (2013:17.3%)



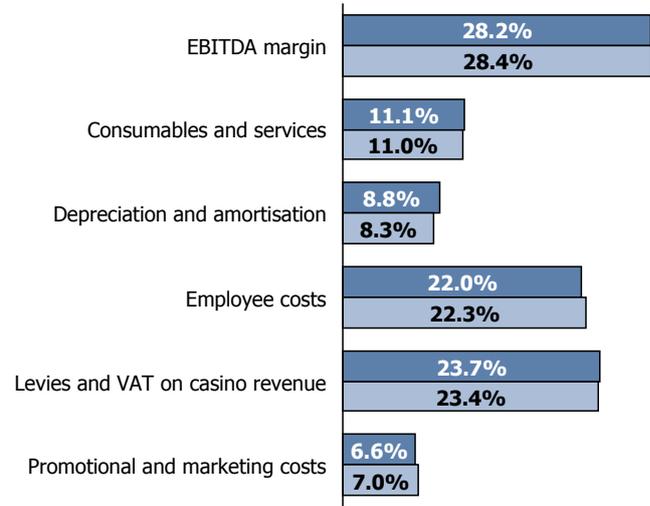
Operating expenditure

Operating expenditure split



* Casino levies and VAT

Operating expenditure as % of revenue



■ FY 2014 ■ FY 2013

• Operating expenditure increased 9.0%:

- Levies as a % of casino revenue increased by 0.3% (Impact R22 million)
- Employee costs as a % of revenue down 0.3% (Impact R34 million)
 - H2 employee costs 1.3% down
- Promotional and marketing costs as a % of revenue down 0.4% (Impact R39 million)



Group statement of financial position



Rm	Year ended 30 June		Movement
	2014 Reviewed	2013 Restated	
ASSETS			
Property, plant and equipment	11 380	10 594	786
Intangible assets	721	494	227
Accounts receivable and other	614	557	57
Cash and cash equivalents	958	1 024	(66)
Other non-current assets	352	304	48
Other current assets	46	93	(47)
Total assets	14 071	13 066	1 005
EQUITY AND LIABILITIES			
Total equity	1 988	3 665	(1 677)
Borrowings	7 582	6 919	663
Accounts payable and other	1 646	1 472	174
Other non-current liabilities	2 776	941	1 835
Other current liabilities	79	69	10
Total equity and liabilities	14 071	13 066	1 005



Monticello acquisition



Monticello valuation for transaction		CLPm	Rm
SFIR		174 433	3 339
Bank debt		(29 064)	(556)
Cash		2 448	47
Intercompany loan		(29 225)	(559)
		118 592	2 271
Monticello acquisition consideration			
Novomatic	44.2%	52 425	1 004
Chilean Enterprises	10.4%	12 390	237
	54.7%	64 815	1 241
Holding company cash and loans acquired		18 032	345
Total acquisition consideration		82 847	1 586
Deferred payment (55% accrued for)		5 289	101
Amount included in non-current liabilities		88 136	1 687
Impact on reserves and minority interests			
Acquisition consideration			1 687
Minority book value			1 014
Reserve for non controlling interests			673



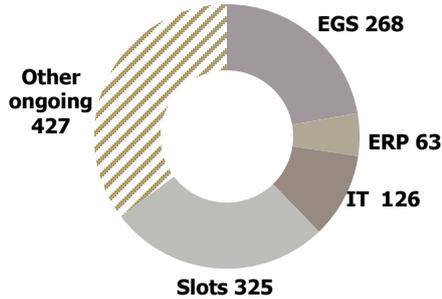
CAPEX



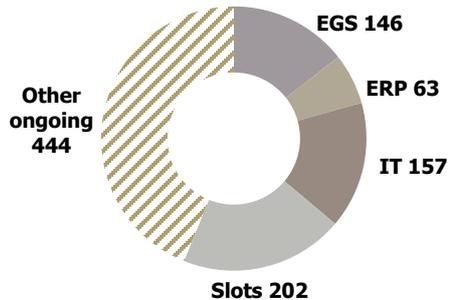
Ongoing CAPEX

Rm

Actual ongoing 2014



Forecast ongoing 2015



Project CAPEX: Current and future

Rm

	Total	Spend to date	30 June	
			2015	2016
Ocean Club Casino	1 135	672	463	-
Sun City Vacation Club	300	179	121	-
Sun City Casino	50	-	50	-
Sun City Cabanas	100	-	40	60
Table Bay	9	9	-	-
Zambia	147	14	133	-
	1 717	874	807	60
Enterprise Gaming System	647	501	146	-
ERP System	157	67	63	27
	2 521	1 442	1 016	87



Capital funding slide



Rm	Year ended 30 June		
	2014	2013	% change
Net finance cost			
Interest expense	511	468	9.2%
Less: Interest income	25	31	(19.4%)
	486	437	11.2%
Average cost of debt	7.2	7.3	0.7%
Net financing cost: EBITDA (cover)	6.3	6.7	(6.0%)
Debt			
Fixed interest rate	1 295	927	39.7%
Floating interest rate	5 776	5 503	5.0%
Total debt	7 071	6 431	10.0%
Less cash (excluding cash floats)	834	841	(0.8%)
Net debt	6 257	5 590	11.6%
Net debt/EBITDA	2.0	1.9	6.2%
Debt/EBITDA	2.3	2.2	5.2%





OUTLOOK

Meropa





Monticello

Outlook



GAMING

- Pressure on consumer spending
- Gaming marketing team rebuilt
- VIP gaming initiative
- Sun City casino refurb
- Impact of EBTs on Boardwalk



ROOMS

- Impact of Ebola unknown
- Visa and birth certificate requirements for travellers
- Weak Rand



EFFICIENCIES

- S189 restructure to conclude in September
- ERP implementation
- Marketing and sales restructured



GROWTH

- Ocean Club: Panama opening in September
- LPMs





GrandWest



Income Statement – Statutory



Rm	Six months ended 31 December			Six months ended 30 June			Year ended 30 June		
	2013	% change	2012	2014	% change	2013	2014	% change	2013
Revenue	5 407	3.6%	5 221	5 418	7.4%	5 046	10 825	5.4%	10 267
Casino	4 221	0.3%	4 208	4 248	6.5%	3 987	8 469	3.3%	8 195
Rooms	558	25.7%	444	556	8.4%	513	1 114	16.4%	957
Food, beverage and other	628	10.4%	569	614	12.5%	546	1 242	11.4%	1 115
Consumables and services	(604)	(9.6%)	(551)	(601)	(3.8%)	(579)	(1 205)	(6.6%)	(1 130)
Depreciation and amortisation	(464)	(12.6%)	(412)	(494)	(12.5%)	(439)	(958)	(12.6%)	(851)
Employee costs	(1 206)	(9.6%)	(1 100)	(1 171)	1.3%	(1 187)	(2 377)	(3.9%)	(2 287)
Levies and VAT on casino revenue	(992)	(0.3%)	(989)	(1 011)	(8.9%)	(928)	(2 003)	(4.5%)	(1 917)
Promotional and marketing costs	(391)	(0.5%)	(389)	(326)	0.6%	(328)	(717)	-	(717)
Property and equipment rentals	(73)	(108.6%)	(35)	(75)	(8.7%)	(69)	(148)	(42.3%)	(104)
Property costs	(291)	(11.5%)	(261)	(286)	(2.1%)	(280)	(577)	(6.7%)	(541)
Other operational costs	(434)	(19.9%)	(362)	(460)	(17.0%)	(393)	(894)	(18.4%)	(755)
Operating profit	952	(15.2%)	1 122	994	17.9%	843	1 946	(1.0%)	1 965
Foreign exchange profits	-		8	(1)	(110.0%)	10	(1)	(105.6%)	18
Net interest paid	(239)	(4.8%)	(228)	(241)	(17.6%)	(205)	(480)	(10.9%)	(433)
Profit before tax	713	(21.0%)	902	752	16.0%	648	1 465	(5.5%)	1 550
Tax	(255)	15.6%	(302)	(224)	(29.5%)	(173)	(479)	(0.8%)	(475)
Profit after tax	458	(23.7%)	600	528	11.2%	475	986	(8.3%)	1 075
Minorities	(110)	37.9%	(177)	(193)	(14.9%)	(168)	(303)	12.2%	(345)
Adjusted Headline Earnings	348	(17.7%)	423	335	9.1%	307	683	(6.4%)	730

Includes adjusted headline earnings adjustments



Adjusted headline earnings and minorities



For the year ended
30 June

R million

	2014					2013				
	PAT (Stat)	Adj HE adj	Adj Headline earnings			PAT (Stat)	Adj HE adj	Adj Headline earnings		
			Total	Minorities	Group			Total	Minorities	Group
South African operations	784	130	914	(231)	683	945	24	969	(227)	742
GrandWest	489	7	496	(124)	372	490	-	490	(128)	362
Sun City	6	31	37	-	37	45	(4)	41	-	41
Sibaya	196	9	205	(72)	133	190	-	190	(67)	123
Carnival City	112	11	123	(6)	117	139	(1)	138	(7)	131
Boardwalk	26	5	31	(5)	26	18	11	29	(5)	24
Wild Coast Sun	(10)	6	(4)	1	(3)	(9)	(1)	(10)	4	(6)
Carousel	13	11	24	-	24	37	(1)	36	-	36
Meropa	53	2	55	(16)	39	64	-	64	(19)	45
Windmill	48	2	50	(13)	37	51	-	51	(14)	37
Table Bay	(24)	-	(24)	6	(18)	(46)	-	(46)	12	(34)
Morula	(16)	15	(1)	-	(1)	12	(2)	10	-	10
Flamingo	22	1	23	(5)	18	21	-	21	(5)	16
Worcester	-	1	1	-	1	2	-	2	(1)	1
Maslow	(97)	28	(69)	-	(69)	(51)	22	(29)	-	(29)
Other operating segments	(34)	1	(33)	3	(30)	(18)	-	(18)	3	(15)
Other African operations	19	4	23	16	39	27	-	27	(11)	16
Zambia	26	-	26	-	26	(7)	1	(6)	-	(6)
Federal Palace	(49)	3	(46)	24	(22)	9	(1)	8	(4)	4
Botswana	27	-	27	(5)	22	31	-	31	(6)	25
Swaziland	4	-	4	(2)	2	1	(1)	-	(1)	(1)
Kalahari Sands	10	-	10	-	10	(6)	-	(6)	-	(6)
Lesotho	1	1	2	(1)	1	(1)	1	-	-	-
LATAM	69	30	99	(48)	51	113	(2)	111	(59)	52
Monticello	13	8	21	(9)	12	63	(2)	61	(34)	27
Ocean Club	(22)	22	-	-	-	-	-	-	-	-
Novosun	78	-	78	(39)	39	50	-	50	(25)	25
Management activities	88	32	120	(12)	108	112	10	122	(18)	104
Corporate and Other	(211)	41	(170)	(28)	(198)	(207)	53	(154)	(30)	(184)
Total	749	237	986	(303)	683	990	85	1,075	(345)	730





(“Sun International” or “the group” or “the company”) **Registration number:** 1967/007528/06 **Share code:** SUI **ISIN:** ZAE 000097580