

**PROVISIONAL UNAUDITED GROUP RESULTS**  
**ANNOUNCEMENT**  
*for the year ended 31 December 2014*

**Peermont Global Proprietary Limited**  
Registration number 2006/006340/07 • [www.peermont.com](http://www.peermont.com)

*This document contains a high-level summary of the consolidated annual results of the Peermont Global Proprietary Limited group ("the group") which is made available for information purposes only and should not be utilised to make any investment or other decisions relating to the group. The complete results report has been made available to those persons entitled to it.*

*We define EBITDA as earnings before interest, taxation, depreciation, amortisation, restructuring gains, charges relating to the management long-term incentive programme and other non-cash items. EBITDAR is EBITDA before rental payments. Non-recurring transaction costs are excluded from EBITDA/R. We believe that EBITDA/R serves as a useful supplementary financial indicator to investors, since it is commonly reported and widely accepted by analysts and investors in measuring a company's/group's ability to service its long-term debt and other fixed obligations and to fund its continued growth. Further, EBITDA/R is a widely accepted indicator in comparing a company's/group's underlying operating profitability with that of other companies/groups in the same industry. EBITDA/R is not an IFRS measure and you should not consider EBITDA/R as an alternative to measures of net profit/(loss) or indicators of operating performance, as measures of cash flow from operations or as indicators of liquidity under IFRS. Funds depicted by this measure may not be available for our discretionary use (due to covenant restrictions, debt service payments and other commitments). You should note that EBITDA/R is not a uniform or standardised measure and the calculation of EBITDA/R, accordingly, may vary significantly from entity to entity, and by itself our presentation and calculation of EBITDA/R may not be comparable to that of other companies/groups.*

## SNAPSHOT OF FINANCIAL PERFORMANCE

### Highlights for the year ended 31 December 2014

<b>REVENUE</b> <b>R3 252,9 million</b> <b>+5,7%</b>		<b>EBITDA</b> <b>R1 205,3 million</b> <b>+5,5%</b>		<b>EBITDAR</b> <b>R1 234,3 million</b> <b>+5,4%</b>	
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	2014	%	2013
	R'm	change	R'm
Revenue	3 252,9	5,7	3 078,6
Cash costs	2 060,4	(6,0)	1 943,8
Adjusted operating profit	922,8	5,7	872,9
EBITDA	1 205,3	5,5	1 142,5
EBITDAR	1 234,3	5,4	1 170,8
EBITDA margin	37,1%		37,1%
EBITDAR margin	37,9%		38,0%

The net asset value of Peermont is approximately R2 928 million as at 31 December 2014 and the profit before interest and taxation is approximately R889 million for the year then ended.

### COMMENTARY ON THE RESULTS FOR THE PERIOD

#### *The year ended 31 December 2014 (unaudited) compared to the year ended 31 December 2013 (audited)*

The completion of the Group Capital Restructure in April 2014 enabled the group to place more focus on growth opportunities. The construction of our new Thaba Moshate Hotel Casino and Convention Resort in Burgersfort is close to completion and the resort will be opened for business in April 2015. In addition, Peermont has entered into a management contract for the President Walmont Hotel and Bingu wa Mutharika International Convention Centre in Umodzi Park in Lilongwe, Malawi, where final development activity is nearing completion, and we expect to commence trading in the near future.

Although some of our properties are facing challenging market conditions, Emperors Palace delivered a good performance for the year which resulted in overall revenue and EBITDA growth for the group. We are constantly monitoring the market conditions at our various locations and adapting our offerings in order to maximise the potential of each property.

For the year ended 31 December 2014, group revenue increased by 5,7% from R3 078,6 million to R3 252,9 million. Gaming revenue increased by 6,0% to R2 525,2 million while hotel and resort revenue increased by 4,6% to R727,7 million. As previously reported, gaming revenue growth was driven by foreign and local top-end players in both the tables and slots departments. The increased conference venue capacity at Emperors Palace resulted in higher food and beverage revenues, thus increasing hotel and resort revenue for the year.

Cash costs were well managed overall and increased by 6,0%, driven largely by an investment in complimentary costs flowing from our focus on top end play as well as higher VAT and gaming levies on the increased gross gaming revenue. EBITDA increased by 5,5% from R1 142,5 million to R1 205,3 million.

Emperors Palace achieved overall revenue growth of 9,0% for the 2014 year. Gaming revenue at Emperors Palace increased by 8,9% and the resort's market share for the year was 25,6%, an improvement from the 24,6% achieved in the prior year. The growth in revenue at Emperors Palace translated into an 11,1% increase in EBITDA at the resort from R678,4 million to R754,0 million (post management fees). The revenues at the balance of our operations were largely flat as compared to the prior year. Due to normal cost increases, as well as provisions raised for certain slow paying government related debtors, EBITDA was 2,8% lower than the prior year for these smaller operations.

### RELEASE OF AUDITED GROUP RESULTS

We expect to release the Peermont Global Proprietary Limited Group results on or about the 31<sup>st</sup> of March 2015 and the balance of the Group holding companies prior to the required date of 30 April 2015.