

EXECUTIVE SUMMARY

Latest statistics released by the Spark Cash Index (SCI)*, which measures the average value of cash withdrawals across more than 2 000 Spark ATMs throughout South Africa, revealed a 5.99% year-on-year increase to R485.07 in December 2012 from R457.67 in the same month in 2011, indicating that consumer spending was more robust at the end of 2012 compared with the previous year.

Russel Berman, Sales Director of Spark ATM Systems, says the December 2012 value of R485.07 is the highest average withdrawal value recorded by the SCI to date. In addition, the month-on-month growth of 9.57% is the second highest month-on-month growth ever recorded. "A combination of higher salaries, year-end bonus payouts and lower debt services costs most likely contributed to the notable increase in ATM withdrawal activity over the 2012 festive period."

He says it is incredibly positive to note the significant 10.51% year-on-year increase recorded at leisure and hospitality sites, signifying that the local tourism industry benefited from the recent festive season spending boom. "It is interesting that the Eastern Cape (R520.71), Mpumalanga (R512.61) and KwaZulu-Natal (R508.87) provinces recorded the top three average cash withdrawal values across the country, suggesting that these were the most popular holiday destinations for South Africans this December."

AVERAGE CASH WITHDRAWAL VALUE

AVERAGE CASH WITHDRAWN
DECEMBER 2012

R485.07

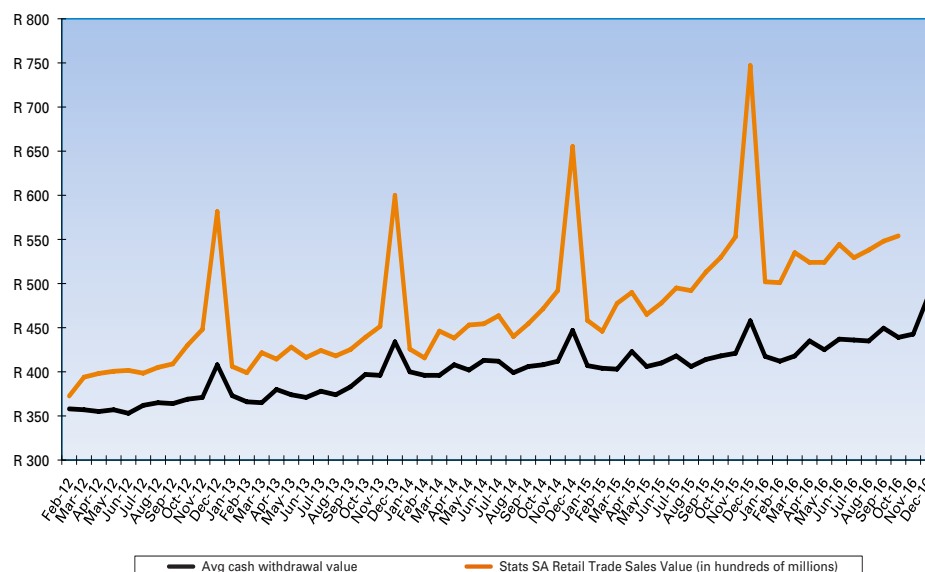
MONTH-ON-MONTH CHANGE
NOV 2012 VS DEC 2012

↑ 9.57%

YEAR-ON-YEAR CHANGE
DEC 2011 VS DEC 2012

↑ 5.99%

AVERAGE CASH WITHDRAWAL VALUE VS STATS SA RETAIL TRADE SALES VALUE

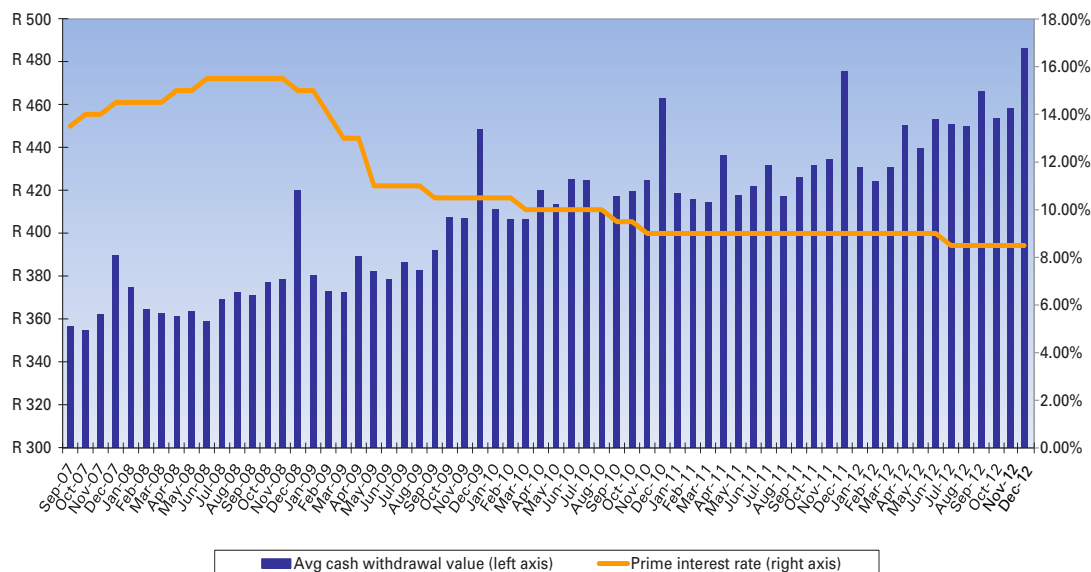


However, Ronel Oberholzer, Principal Economist at IHS Global Insights, says that the notable increase in ATM activity in the Eastern Cape could also be a result of the motor industry's success in this province, with good vehicle sales and exports resulting in employees being rewarded for this in terms of bonuses as well as more people being employed in the province.

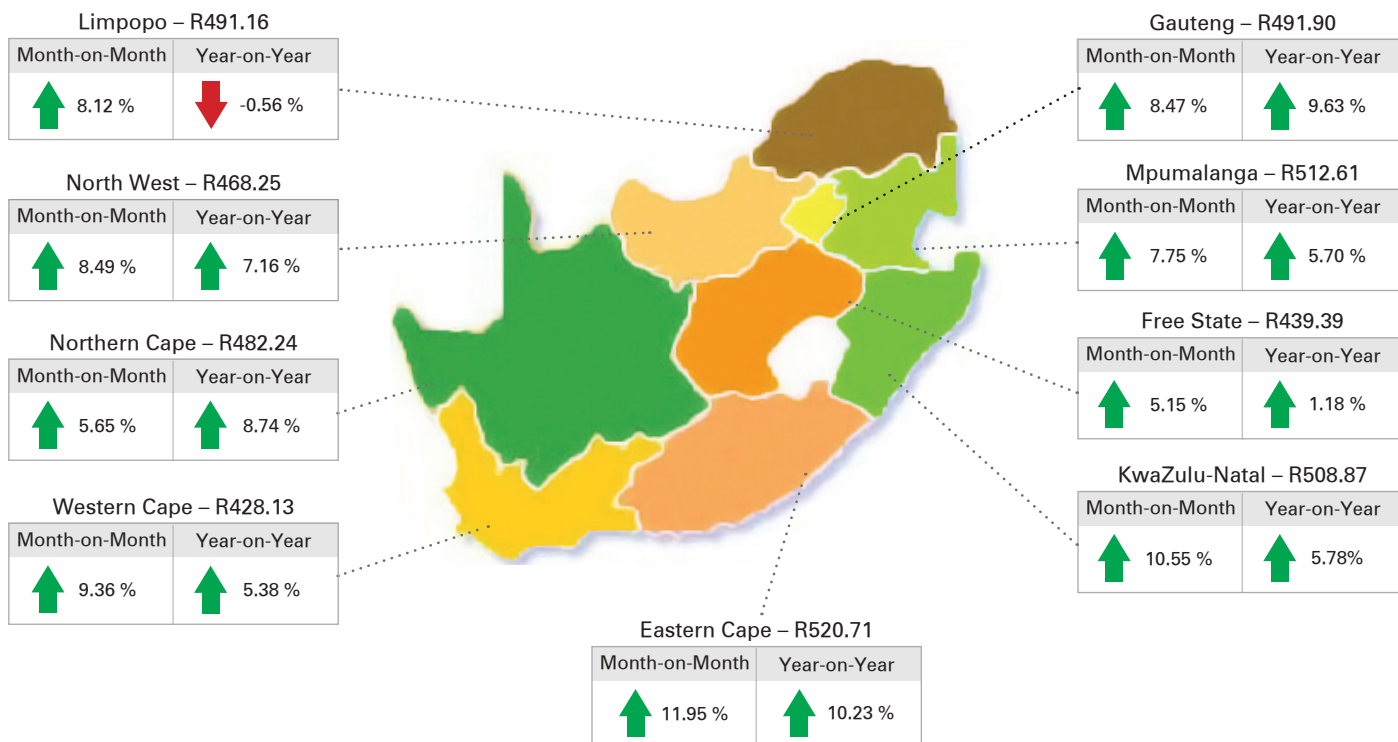
Wholesale locations recorded the highest average cash withdrawal value of all sites (R509.51), as well as the largest month-on-month and year-on-year increases of 11.66% and 18.44% respectively. "This is a clear sign that consumers were definitely more price sensitive this festive season by buying food and drink in bulk to save on the per unit price. Petrol sites also revealed a large month-on-month growth of 8.45% which is merely a result of petrol being more expensive than the previous year," says Oberholzer.

While December is typically a very active month, there is a clear seasonal trend of a drop in ATM withdrawals across the country for January and we expect this year to be no different, says Berman. "This decline is mainly a result of January being a very long financial month as many people receive their salaries and bonuses early in December, which is subsequently spent on festive season entertaining and gifts. However, we do not expect the slowdown in activity to erase all the gains for December."

AVERAGE CASH WITHDRAWAL VS PRIME INTEREST RATE



AVERAGE CASH WITHDRAWAL BY REGION



*Month-on-Month = November 2012 vs. December 2012. Year-on-Year = December 2011 vs. December 2012

The trend of the Mpumalanga province coming out tops has been broken for the first time in ten months, with the Eastern Cape revealing the highest average cash withdrawal value (R520.71), month-on-month (11.95%) and year-on-year (10.23%) growth.

“Gauteng, which recorded the second highest year-on-year growth of 9.63%, saw strong withdrawals which were most likely a result of people buying their goods before travelling to their holiday destinations. Overall each province - with the exception of Limpopo which experienced a minimal year-on-year decline of 0.56% - revealed positive month-on-month and year-on-year growth indicating strong consumer spending across the country,” says Berman.

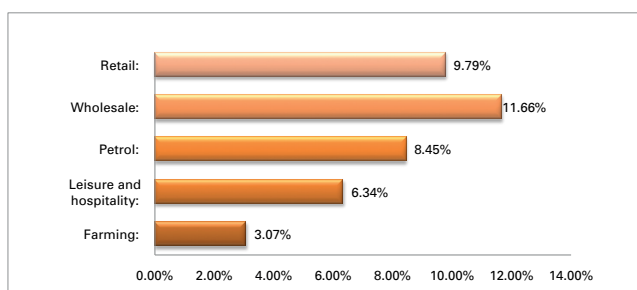
REGIONAL AVERAGE CASH WITHDRAWAL DATA TABLE

Month	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	National
Dec-11	R 472.39	R 434.25	R 448.69	R 481.06	R 493.90	R 484.95	R 443.46	R 436.98	R 406.27	R 457.67
Jan-12	R 439.38	R 395.99	R 413.37	R 430.56	R 446.44	R 447.12	R 390.78	R 404.25	R 384.51	R 417.85
Feb-12	R 424.28	R 402.57	R 410.04	R 423.42	R 438.25	R 441.56	R 383.47	R 395.95	R 384.28	R 411.82
Mar-12	R 429.40	R 415.81	R 423.59	R 428.24	R 444.85	R 448.03	R 409.50	R 394.52	R 385.73	R 417.92
Apr-12	R 450.18	R 428.11	R 430.35	R 451.01	R 469.54	R 473.60	R 428.10	R 415.72	R 389.36	R 435.47
May-12	R 445.90	R 411.90	R 435.26	R 440.94	R 448.81	R 454.08	R 427.15	R 408.37	R 380.01	R 425.94
Jun-12	R 456.31	R 420.15	R 445.17	R 451.26	R 452.99	R 457.16	R 429.82	R 418.00	R 387.99	R 437.71
Jul-12	R 468.85	R 421.34	R 443.43	R 447.57	R 455.88	R 470.04	R 433.13	R 422.83	R 383.20	R 435.54
Aug-12	R 461.41	R 415.02	R 443.57	R 450.32	R 456.83	R 475.72	R 430.00	R 424.17	R 383.38	R 434.93
Sep-12	R 472.15	R 438.48	R 457.95	R 462.15	R 477.25	R 503.48	R 446.78	R 440.25	R 389.30	R 449.47
Oct-12	R 464.91	R 416.41	R 454.51	R 450.50	R 458.14	R 477.96	R 447.03	R 430.36	R 387.52	R 439.27
Nov-12	R 465.11	R 417.88	R 453.51	R 460.30	R 454.29	R 475.75	R 456.47	R 431.59	R 391.48	R 442.71
Dec-12	R 520.71	R 439.39	R 491.90	R 508.87	R 491.16	R 512.61	R 482.24	R 468.25	R 428.13	R 485.07

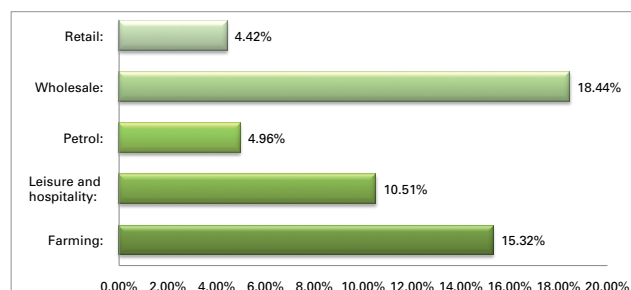
AVERAGE CASH WITHDRAWAL BY SITE CATEGORY

Retail	Wholesale	Petrol	Leisure & hospitality	Farming
R 476.78	R 509.51	R 476.52	R 427.70	R 455.99

MONTH-ON-MONTH CHANGE NOVEMBER 2012 – DECEMBER 2012



YEAR-ON-YEAR CHANGE DECEMBER 2011 – DECEMBER 2012



For the ninth consecutive month, wholesale locations recorded the highest average cash withdrawal figure of R509.51, in addition to the largest month-on-month increase of 11.66% and year-on-year increase of 18.44%. Retail sites came in second highest with an average withdrawal value of R476.78 and month-on-month growth of 9.79%, followed by petrol sites with a value of R476.52, which also recorded an 8.45% month-on-month increase.

“Farming locations noted the largest year-on-year increase of 15.32% which means that many farmworkers most likely withdrew their year-end bonuses to take home with them for the festive season,” says Berman.

**Retail sites includes supermarkets, convenience stores, fast food outlets, pharmacies, hardware stores, liquor stores and butcheries.

SITE CATEGORY AVERAGE CASH WITHDRAWAL DATA TABLE

Month	Retail	Wholesale	Petrol	Leisure & hospitality	Farming
Dec-11	R 456.58	R 430.19	R 453.98	R 387.03	R 395.40
Jan-12	R 409.19	R 417.64	R 425.28	R 382.54	R 331.36
Feb-12	R 405.84	R 397.32	R 414.89	R 380.21	R 287.88
Mar-12	R 412.66	R 430.78	R 424.58	R 384.34	R 327.15
Apr-12	R 428.33	R 453.76	R 441.03	R 390.45	R 334.61
May-12	R 419.45	R 439.65	R 434.65	R 386.55	R 355.93
Jun-12	R 428.95	R 446.41	R 442.79	R 391.91	R 396.81
Jul-12	R 426.95	R 451.66	R 439.81	R 393.77	R 401.95
Aug-12	R 430.82	R 449.47	R 435.25	R 393.52	R 343.61
Sep-12	R 445.66	R 468.46	R 448.54	R 395.41	R 401.90
Oct-12	R 432.95	R 450.16	R 440.05	R 401.28	R 454.68
Nov-12	R 434.28	R 456.30	R 439.38	R 402.21	R 442.39
Dec-12	R 476.78	R 509.51	R 476.52	R 427.70	R 455.99

DATA TABLE

Below is the data table including all relevant statistics from December 2009 to December 2012. The table demonstrates the average cash withdrawal value across South Africa, the changes in withdrawal values from month-to-month and year-to-year as well as the Stats SA retail trade sales value.

Month	Average Cash Withdrawal	Month-on-Month Change	Year-on-Year Change	Stats SA retail TradeSales Value
Dec-09	R 433.38	9.36%	6.22%	R 600
Jan-10	R 400.40	-7.61%	7.49%	R 426
Feb-10	R 396.06	-1.08%	8.26%	R 416
Mar-10	R 396.14	0.02%	8.45%	R 446
Apr-10	R 407.88	2.96%	7.32%	R 438
May-10	R 402.33	-1.36%	7.53%	R 453
Jun-10	R 411.04	2.16%	10.84%	R 454
Jul-10	R 411.92	0.21%	9.12%	R 464
Aug-10	R 401.46	-2.54%	7.2%	R 440
Sep-10	R 405.47	1.00%	5.93%	R 454
Oct-10	R 407.58	0.52%	2.78%	R 471
Nov-10	R 411.98	1.08%	3.96%	R 492
Dec-10	R 446.56	8.39%	3.04%	R 655
Jan-11	R 407.06	-8.85%	1.66%	R 458
Feb-11	R 404.28	-0.68%	2.08%	R 446
Mar-11	R 403.11	-0.29%	1.76%	R 478
Apr-11	R 422.30	4.76%	3.54%	R 490
May-11	R 406.41	-3.76%	1.01%	R 465
Jun-11	R 409.95	0.87%	-0.26%	R 478
Jul-11	R 418.40	2.06%	1.57%	R 495
Aug-11	R 405.69	-3.04%	1.05%	R 492
Sep-11	R 413.88	2.02%	2.07%	R 513
Oct-11	R 418.79	1.19%	2.75%	R 530
Nov-11	R 420.84	0.49%	2.15%	R 553
Dec-11	R 457.67	8.75%	2.49%	R 747
Jan-12	R 417.85	-8.70%	2.65%	R 502
Feb-12	R 411.82	-1.44%	1.87%	R 503
Mar-12	R 417.92	1.48%	3.67%	R 535
Apr-12	R 435.47	4.20%	3.12%	R 524
May-12	R 425.94	-2.19%	4.81%	R 524
Jun-12	R 437.71	2.76%	6.77%	R 544
Jul-12	R 435.54	-0.50%	4.10%	R 529
Aug-12	R 434.93	-0.14%	7.21%	R 538
Sep-12	R 449.47	3.34%	8.60%	R 548
Oct-12	R 439.27	-2.27%	4.89%	R 554
Nov-12	R 442.71	0.78%	5.20%	Not yet released
Dec-12	R 485.07	9.57%	5.99%	Not yet released

ABOUT THE SPARK CASH INDEX (SCI)

The amount of cash withdrawn at ATMs is a real-time indicator of cash availability and consumer spending in the economy. From Spark ATM Systems' records the company has noticed that over time the average amount of cash withdrawn at its network of ATMs corresponds with general economic conditions in South Africa. The SCI also points to consumer trends such as the variations in cash withdrawn based on prevailing economic conditions, particularly variations in the prime interest rate and seasonal peaks and dips.

EXPLANATORY NOTES

The value for the Spark Cash Index is obtained using the following formula: Cash dispensed for the month divided by the number of cash withdrawals for the month across a selection of our ATM network. The sample size is very large and spans urban and rural areas across all nine provinces of South Africa, therefore representing a very good cross section of South African consumers. The data presented is raw data and has not been adjusted for seasonality or for the effects of inflation.

ABOUT SPARK ATM SYSTEMS

Spark ATM Systems is the premier independent ATM deployer in South Africa importing, installing and maintaining world-leading Automated Teller Machines (ATMs) for the South African convenience ATM market.

Convenience ATMs have taken the world and South Africa by storm and today are found in every conceivable type of retail, hospitality, leisure and convenience location for one simple reason - consumers expect them wherever they need cash and merchants recognise their many benefits.

Established in 2005, Spark ATM Systems has grown into a national organisation with sales and technical capabilities across South Africa. From our headquarters in Cape Town, our Head Office team coordinates the sales, installation, maintenance, processing, settlement, reconciliation, monitoring, reporting, customer relationship and contact centre requirements for our ever-growing national network of ATMs. We boast a national list of independent and corporate customers across all major retail, convenience, wholesale, leisure and hospitality operators. Visit www.sparkatm.co.za for more information.

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