

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, reveal that ATM withdrawal activity did not bounce back as expected during February 2013, following the sharp drop in the previous month.

The SCI recorded a marginal month-on-month increase of 0.69% in average cash withdrawal figures for February 2013, to R443.56. This follows a month-on-month drop of 9.18% in average cash withdrawal figures in January 2013, compared to December 2012.

According to Russel Berman, Sales Director of Spark ATM Systems, this is an indication that consumers are still under financial pressure following the festive season splurge. "While it is encouraging to note a positive increase following the drastic drop in January 2013, we were hoping for a bigger bounce back, especially if we assume that the economy is in the first stage of an up-cycle."

However, he says, a notable month-on-month increase should be expected for March 2013 ahead of the Easter holiday season, when many consumers spend more on entertainment and travel during the school holiday break.

AVERAGE CASH WITHDRAWAL VALUE

AVERAGE CASH WITHDRAWN
FEBRUARY 2013

R443.56

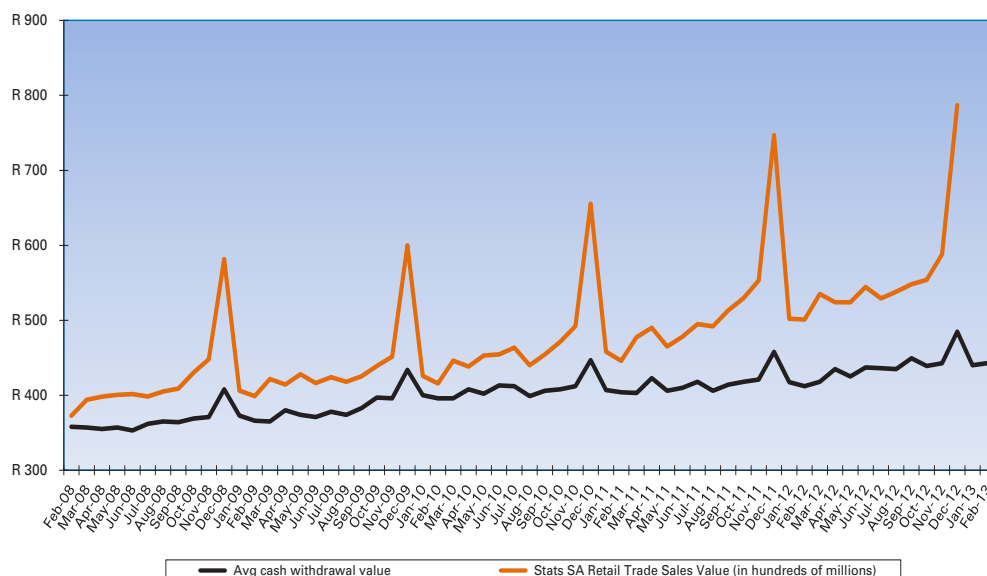
MONTH-ON-MONTH CHANGE
JAN 2013 VS FEB 2013

↑ 0.69%

YEAR-ON-YEAR CHANGE
FEB 2012 VS FEB 2013

↑ 7.71%

AVERAGE CASH WITHDRAWAL VALUE VS STATS SA RETAIL TRADE SALES VALUE



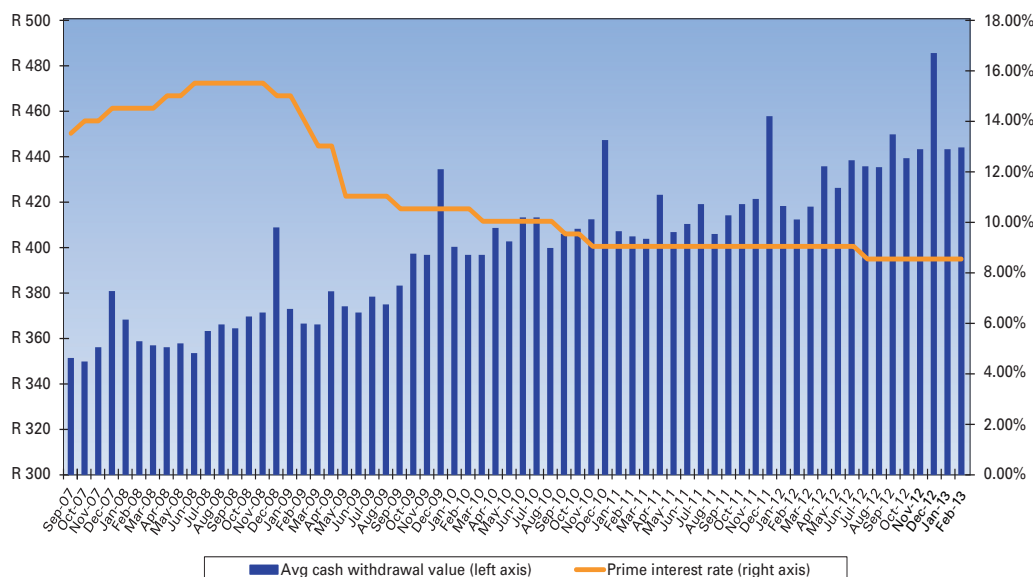
While the SCI did reveal a significant year-on-year growth of 7.71% for February 2013, according to Ronel Oberholzer, Principal Economist at IHS Global Insights, this is not necessarily a sign that consumers are in a better financial position this year given the low figure of R411.82 recorded for February 2012.

"The February SCI indicates that it is 'back to work' for South African consumers who are cutting back on unnecessary costs such as entertainment and travelling after the festive season splurge, which is evident from the month-on-month declines in ATM withdrawal activity recorded at leisure (1.30%) and petrol (0.62) sites," says Oberholzer.

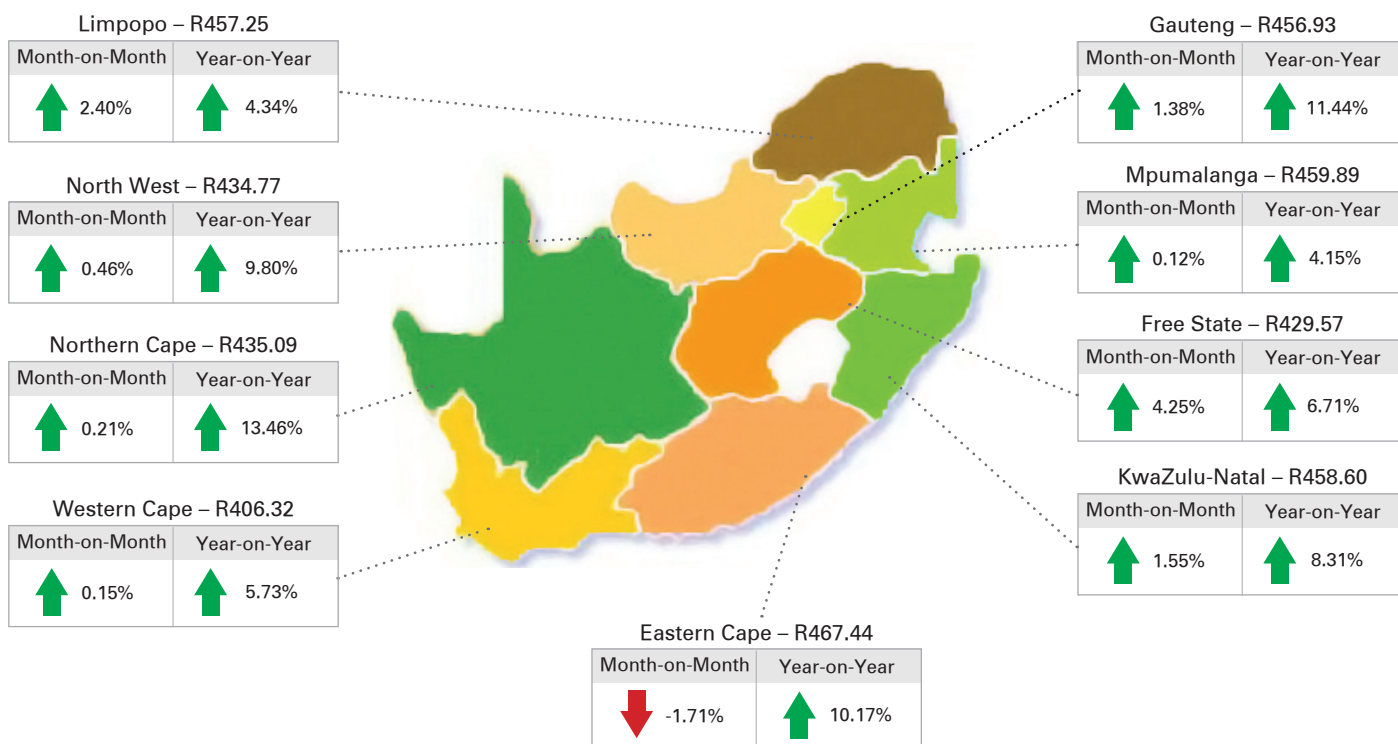
Berman says that higher average cash withdrawal values and month-on-month growth recorded at wholesale (R451.79;1.35%) and retail (R432.20;1.11%) sites reveal that consumers are stocking up on supplies again following the January slump and are taking advantage of post-festive season sales.

"Given that many people receive their annual increases at the end of the financial year in February, paired with the Easter weekend falling a bit earlier this year, we can anticipate positive growth in the March 2013 statistics," concludes Berman.

AVERAGE CASH WITHDRAWAL VS PRIME INTEREST RATE



AVERAGE CASH WITHDRAWAL BY REGION



*Month-on-Month = December 2012 vs. January 2013. Year-on-Year = January 2012 vs. January 2013

For a second month in a row, the Eastern Cape recorded the highest provincial average cash withdrawal value (R467.44) for February 2013, followed by Mpumalanga (R459.89) and KwaZulu-Natal (R458.60) provinces.

"It is no coincidence that households in these provinces also report being the largest recipients of remittance income – which is money sent home, usually by working family members based in the metro areas," says Oberholzer. "In fact, according to the latest General Household Survey, a full 22% of households in the Eastern Cape report receiving remittance income."

She says that even though the Eastern Cape experienced a 1.71% month-on-month drop in the average cash withdrawal size, one should not discount the fact that many workers sending remittance income home to the Eastern Cape are likely to be farmworkers based in the Western Cape, who may have found that the recent instability in that sector has lowered the amounts they are able to send home.

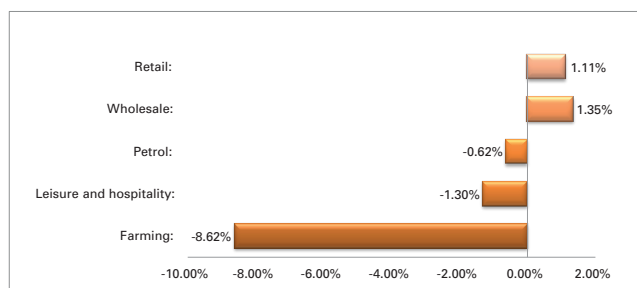
REGIONAL AVERAGE CASH WITHDRAWAL DATA TABLE

Month	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	National
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
Jan-13	R 475.59	R 412.06	R 450.69	R 451.59	R 446.55	R 459.36	R 434.16	R 432.79	R 405.73	R 440.53
Feb-13	R 467.44	R 429.57	R 456.93	R 458.60	R 457.25	R 459.89	R 435.09	R 434.77	R 406.32	R 443.56

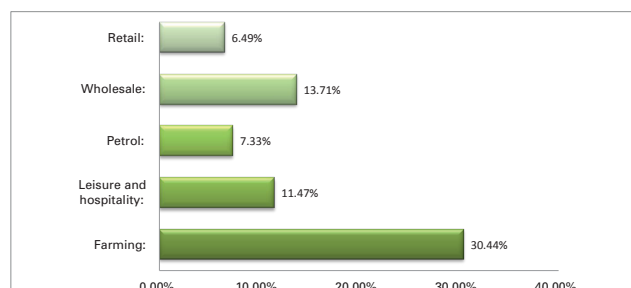
AVERAGE CASH WITHDRAWAL BY SITE CATEGORY

Retail	Wholesale	Petrol	Leisure & hospitality	Farming
R 432.20	R 451.79	R 445.31	R 423.82	R 375.51

MONTH-ON-MONTH CHANGE JANUARY 2013 – FEBRUARY 2013



YEAR-ON-YEAR CHANGE FEBRUARY 2012 – FEBRUARY 2013



Wholesale locations recorded the highest cash withdrawal value (R451.79) and month-on-month growth (1.35%), while petrol sites came in with the second highest average cash withdrawal value (R445.31), followed by retail (R432.20) which also had the second highest month-on-month growth (1.11%).

“The growth in ATM activity noted at wholesale and retail sites is directly related to the boost in spending at these locations as consumers are drawn to post festive season offers,” 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
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
Jan-13	R 427.44	R 445.77	R 448.11	R 429.40	R 410.91
Feb-13	R 432.20	R 451.79	R 445.31	R 423.82	R 375.51

DATA TABLE

Below is the data table including all relevant statistics from February 2010 to February 2013. 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
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%	R 588
Dec-12	R 485.07	9.57%	5.99%	R 787
Jan-13	R 440.53	-9.18%	5.43%	Not yet released
Feb-13	R 443.56	0.69%	7.71%	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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