

EXECUTIVE SUMMARY

Latest statistics released by the Spark Cash Index (SCI)*, which measures the average value of cash withdrawals across more than 1 700 Spark ATMs throughout the country, reveal year-on-year growth of 4.10% in cash withdrawal activity in July 2012, further contributing to strong year-on-year growth for 2012 recorded to date.

Marc Sternberg, MD of Spark ATM Systems says the rate of year-on-year growth of withdrawal values in each of the first seven months of 2012 has been higher than in the previous year, suggesting that consumer spending has grown at a faster rate than in 2011.

He explains that the recent repo rate cut is particularly timely for retailers and should ensure that cash withdrawal and consumer spending activity remains strong for the remainder of 2012. "This is the first interest rate cut since November 2010 and historically the SCI has recorded an uptick in cash withdrawal activity post a reduction in the prime interest rate.

"This shot in the arm to consumers' disposable income will ensure that they pay less interest on debt, effectively stimulating consumer spending activity for the remainder of 2012."

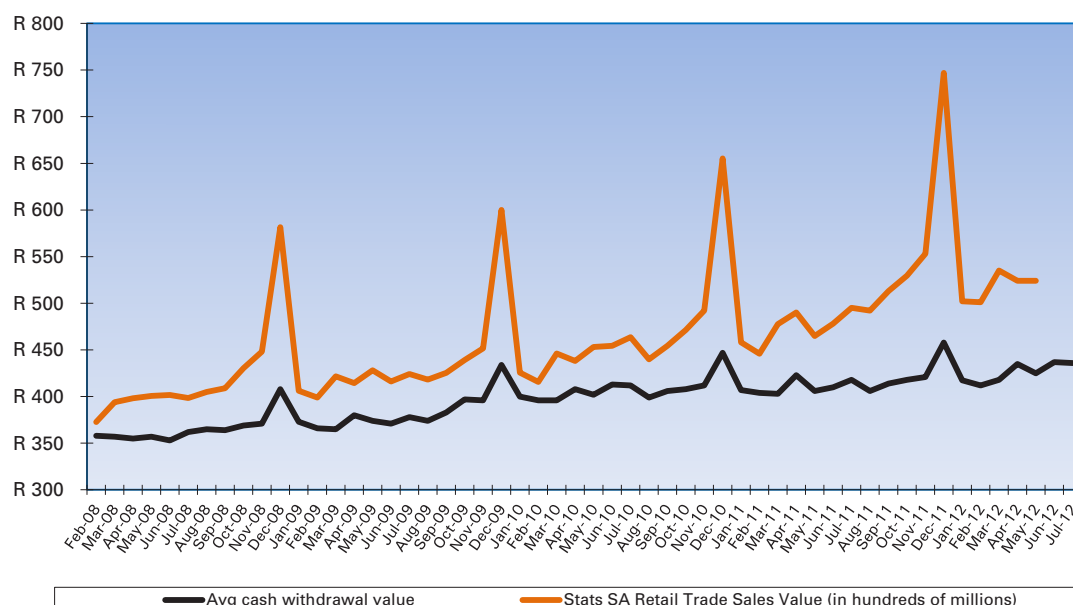
AVERAGE CASH WITHDRAWAL VALUE

AVERAGE CASH WITHDRAWN JULY 2012
R435.54

MONTH-ON-MONTH CHANGE JUNE 2012 VS JULY 2012
↓ -0.50 %

YEAR-ON-YEAR CHANGE JULY 2011 VS JULY 2012
↑ 4.10 %

AVERAGE CASH WITHDRAWAL VALUE VS STATS SA RETAIL TRADE SALES VALUE

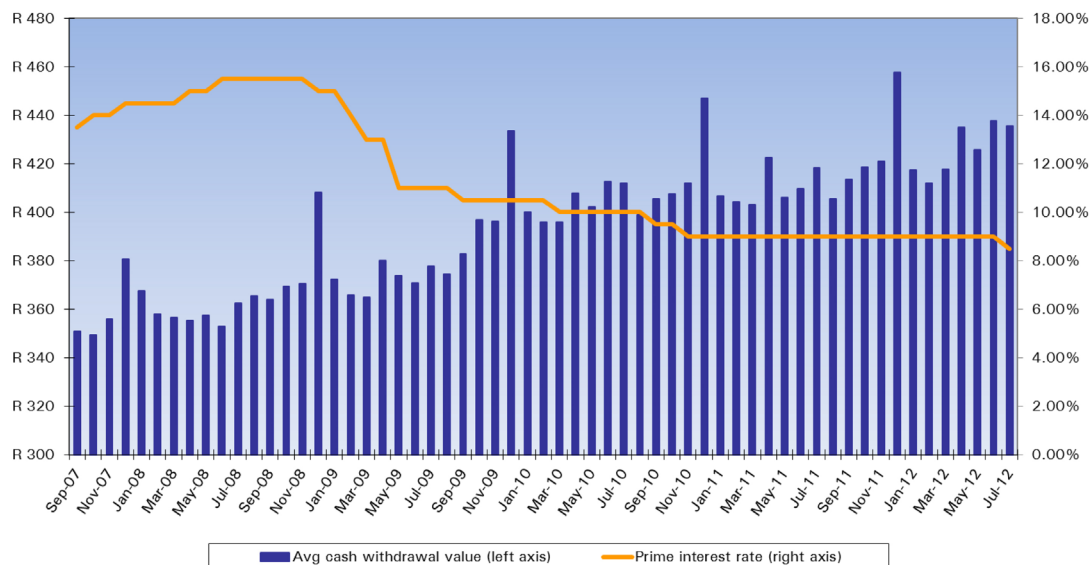


David Wilson, Senior Analyst at IHS Global Insights, says the full impact of the interest rate cut on consumer spending will be felt towards the end of 2012. "To date, consumers have remained cautious of spending, fueled by recent factors such as electricity tariff increases in the winter months. However, the recent interest rate cut will most probably boost spending and thus cash withdrawals again in the coming months."

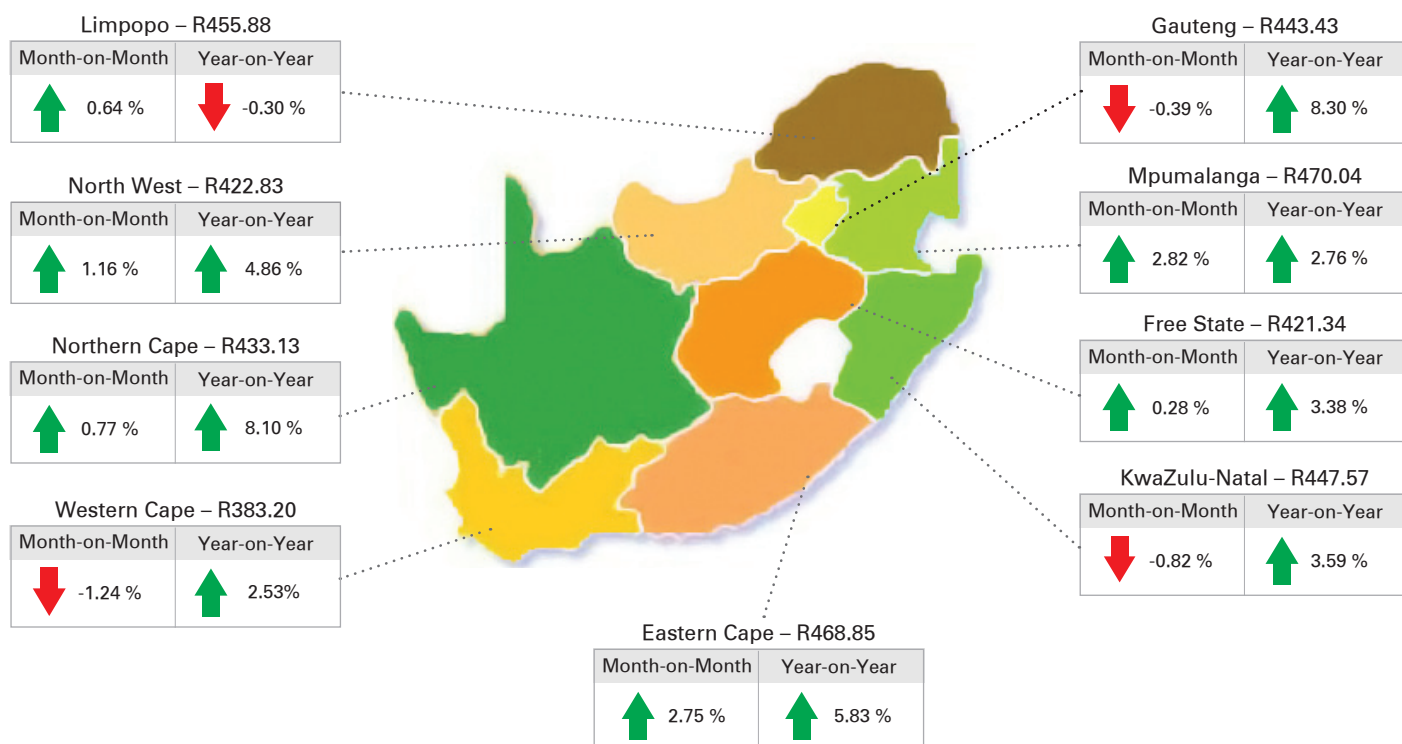
Sternberg adds that as the SCI has proven a reliable leading indicator for Stats SA Retail Trade Sales (RTS) figures, it is likely that July RTS figures will also show similar positive growth year-on-year.

While the SCI did reveal a slight month-on-month decline of 0.50% in July 2012 to R435.54 per transaction, Sternberg says that this is most likely a result of mid-year school holidays starting a bit earlier this year. "An extra two days of the total 21 days of mid-year school holidays fell in June this year. As school holiday spending is traditionally quite heavily weighted at the beginning of the holiday period, June 2012 ATM withdrawal activity recorded a significant increase month-on-month, with the knock-on effect being a slight decline in July 2012."

AVERAGE CASH WITHDRAWAL VS PRIME INTEREST RATE



AVERAGE CASH WITHDRAWAL BY REGION



*Month-on-Month = June 2012 vs. July 2012. Year-on-Year = July 2011 vs. July 2012

For the seventh month running, the Mpumalanga province has recorded the highest provincial average cash withdrawal value of R470.04 in July 2012, as well as the largest month-on-month growth of 2.82%. "This region is showing considerable growth due to increased tourist traffic during the school holidays and increased cash withdrawal activities by farm workers who reside in this region," says Sternberg.

Gauteng recorded the highest year-on-year growth of 8.30% for the third month in a row this year, followed by the Northern Cape and Eastern Cape revealing growth of 8.10% and 5.83% respectively.

"A year-on-year increase in cash withdrawal activity was recorded across all provinces, with the exception of Limpopo, suggesting positive year-on-year growth in consumer spending across the country," says Sternberg.

REGIONAL AVERAGE CASH WITHDRAWAL DATA TABLE

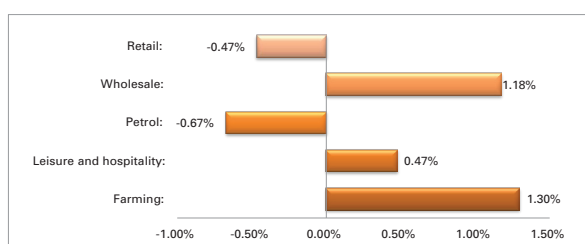
Month	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	National
Jul-11	R 443.02	R 407.58	R 409.45	R 432.05	R 457.25	R 457.44	R 400.69	R 403.23	R 373.73	R 418.40
Aug-11	R 429.65	R 400.78	R 403.25	R 413.89	R 443.70	R 439.61	R 391.15	R 395.53	R 366.71	R 405.69
Sep-11	R 427.27	R 410.86	R 405.29	R 431.15	R 452.31	R 454.84	R 411.57	R 400.87	R 368.77	R 413.88
Oct-11	R 433.10	R 407.62	R 413.18	R 432.92	R 455.42	R 455.89	R 422.18	R 406.07	R 374.12	R 418.79
Nov-11	R 432.96	R 409.42	R 421.46	R 433.06	R 451.74	R 444.55	R 422.27	R 411.30	R 382.75	R 420.84
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

AVERAGE CASH WITHDRAWAL BY SITE CATEGORY

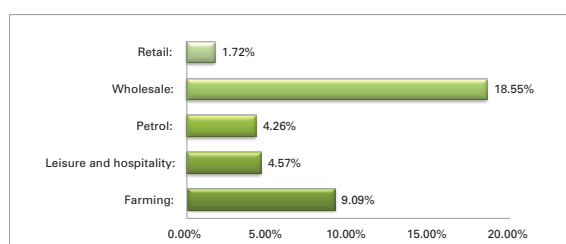
AVERAGE CASH WITHDRAWAL – JULY 2012

Retail	Wholesale	Petrol	Leisure & hospitality	Farming
R 426.95	R 451.66	R 439.81	R 393.77	R 401.95

MONTH-ON-MONTH CHANGE JUNE 2012 – JULY 2012



YEAR-ON-YEAR CHANGE JULY 2011 – JULY 2012



For the fifth consecutive month, wholesale locations revealed the largest average cash withdrawal figure of R451.66, as well as the highest year-on-year increase of 18.55%. Petrol sites came in second highest followed by Retail* locations which recorded values of R439.81 and R426.95 respectively.

Farming locations recorded the biggest month-on-month growth of 1.30% for the third month in a row, as well as the second highest year-on-year growth of 9.09%.

“The consistent patterns of boosted ATM withdrawal activity at wholesale locations and farming locations should be noted as these sites are clearly becoming primary spots for easy access to cash,” says Sternberg.

*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
Jul-11	R 419.71	R 380.97	R 421.83	R 376.55	R 368.45
Aug-11	R 405.75	R 378.12	R 411.02	R 371.61	R 285.39
Sep-11	R 414.07	R 387.80	R 414.72	R 371.72	R 338.34
Oct-11	R 414.36	R 395.14	R 416.27	R 378.81	R 395.29
Nov-11	R 415.59	R 390.13	R 412.88	R 388.48	R 400.00
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

DATA TABLE

Below is the data table including all relevant statistics from July 2009 to July 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 Trade Sales Value
Jul-09	R 377.50	1.79 %	4.13 %	R 424
Aug-09	R 374.52	-0.79 %	2.51 %	R 418
Sep-09	R 382.78	2.21%	5.20%	R 425
Oct-09	R 396.57	3.6%	7.06%	R 439
Nov-09	R 396.28	-0.07 %	7.19 %	R 452
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%	Not yet released
Jul-12	R 435.54	-0.50 %	4.10 %	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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