

EXECUTIVE SUMMARY

The Spark Cash Index (SCI) measures the average value of cash withdrawals across more than 1,500 Spark ATM Systems' ATMs throughout the country. The data is derived from every region in South Africa and ranges from rural areas to city centres, therefore providing a comprehensive perspective on cash withdrawal trends in the country and a real-time indicator of cash availability and consumer spending in the economy.

The latest statistics derived from the SCI indicate that consumer spending and trading conditions suffered a decline during May, following a spike in withdrawal activity during the holiday month of April 2012. Despite a month-on-month drop of 2.18% in May 2012 to R425.94 per transaction, the SCI reveals that year-on-year withdrawal activity increased by 4.81% - the highest year-on-year increase in 2012 to date.

According to Ronel Oberholzer, Principal Economist: Sub-Saharan Economics at IHS Global Insight, the SCI drop in May was to be expected, following April's jump, which coincided with a large number of public holidays during which consumers spent their free time shopping and thus required more spending money. "The May figures can thus be seen as a correction from the previous month".

"Looking forward, growth in the SCI should stay in the lower single digits for the rest of 2012, reflecting a slowdown in domestic demand. Factors inhibiting consumer spending in 2012 include high consumer debt levels along with the banks' strict lending rules, lower real wage increases, employment concerns, increased taxes and elevated energy and services costs," says Oberholzer.

AVERAGE CASH WITHDRAWAL VALUE

AVERAGE CASH WITHDRAWN
MAY 2012

R425.94

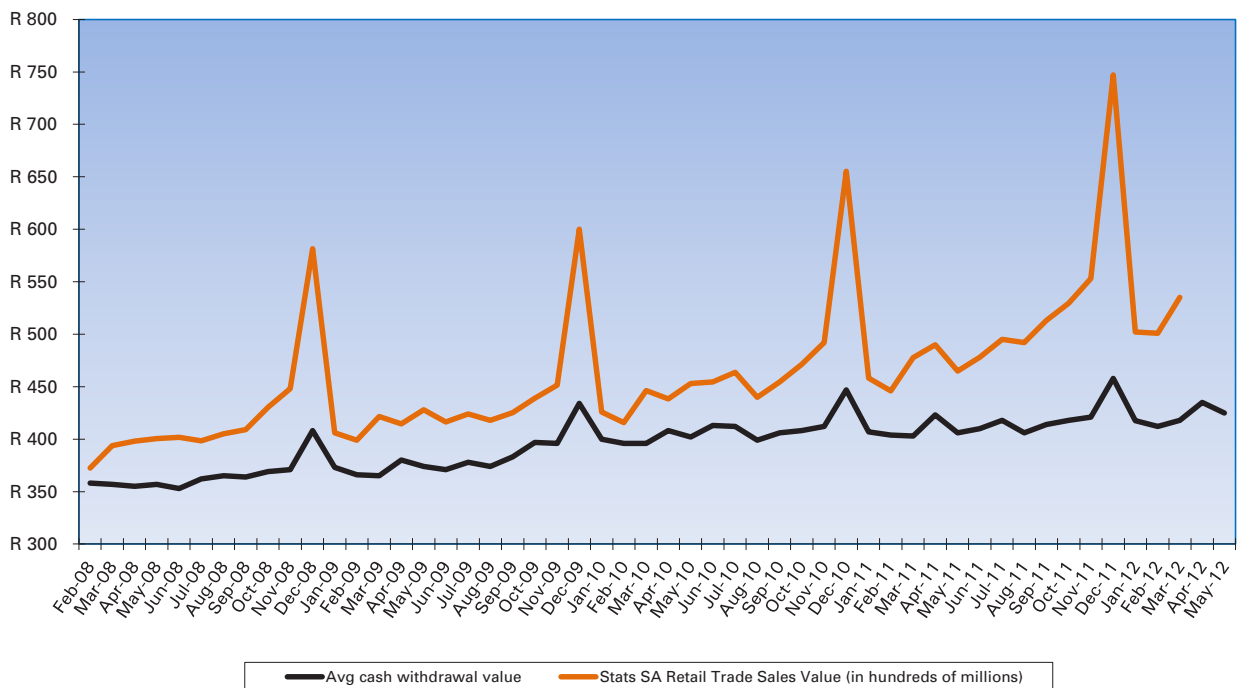
MONTH-ON-MONTH CHANGE
APR 2012 VS MAY 2012

↓ -2.18%

YEAR-ON-YEAR CHANGE
MAY 2011 VS MAY 2012

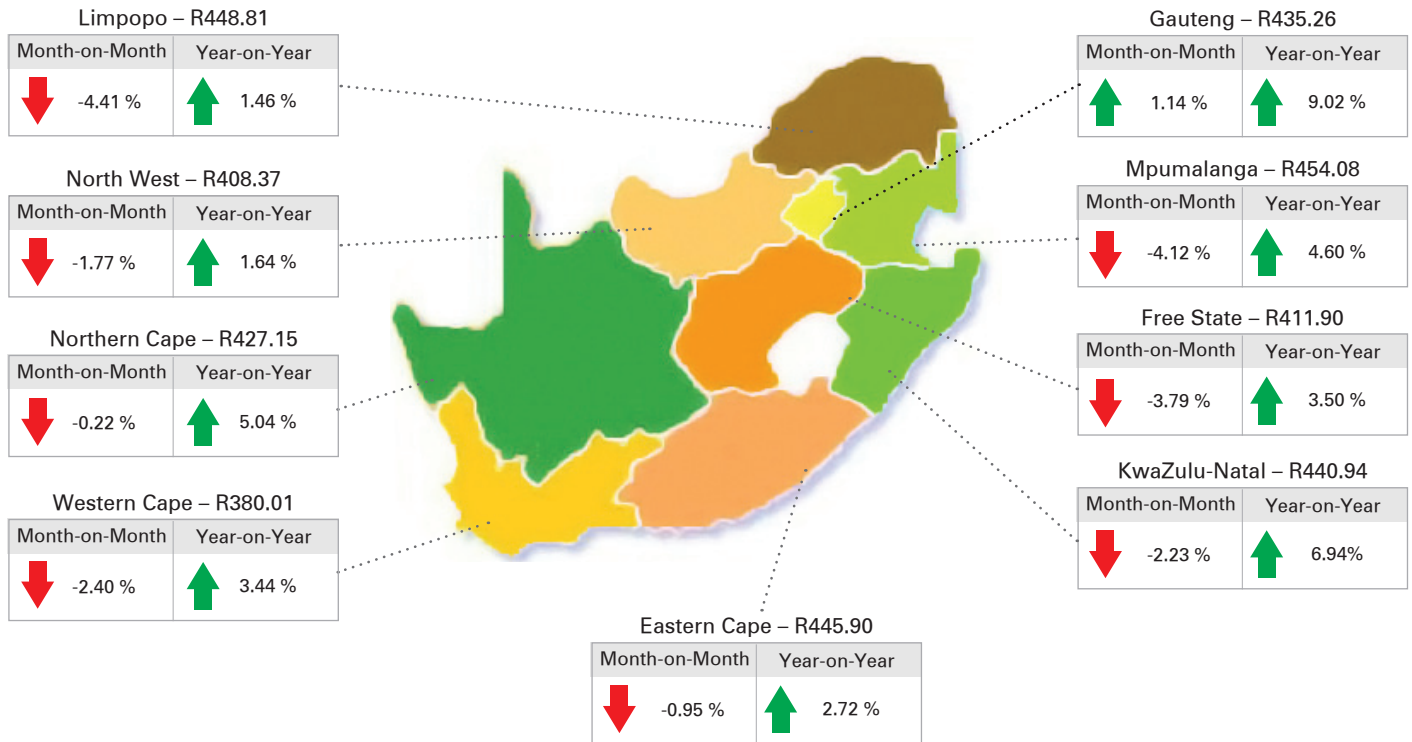
↑ 4.81%

AVERAGE CASH WITHDRAWAL VALUE VS STATS SA RETAIL TRADE SALES VALUE



The SCI is a leading indicator for the widely followed Stats SA Retail Trade Sales Report (RTS). The RTS follows the same pattern as South African cash withdrawal values as reflected in the graph above. Released a good two months ahead of the RTS, The SCI predicts the pattern and values that the RTS will reflect, making it a valuable forecasting tool.

AVERAGE CASH WITHDRAWAL BY REGION



*Month-on-Month = April 2012 vs. May 2012. Year-on-Year = May 2011 vs. May 2012

Mpumalanga reported the biggest provincial average cash withdrawal value of R454.08 for May 2012, followed closely by Limpopo (R448.81) and the Eastern Cape (R445.90) provinces.

Of the nine regions, Gauteng experienced the largest month-on-month withdrawal growth of 1.14%. The Gauteng region also recorded the highest year-on-year increase of 9.02%, indicating that the demand for convenient access to cash in the province is growing significantly. The province's withdrawal growth is being fuelled by increased trade activity in petrol, retail and wholesale sites.

With the month of May following the busy April holiday period, every region with the exception of Gauteng showed a significant drop in the month-to-month withdrawal values. Conversely, every region recorded a year-on-year increase, with the exception of Limpopo, signifying consumer spending has increased since May 2011.

REGIONAL AVERAGE CASH WITHDRAWAL DATA TABLE

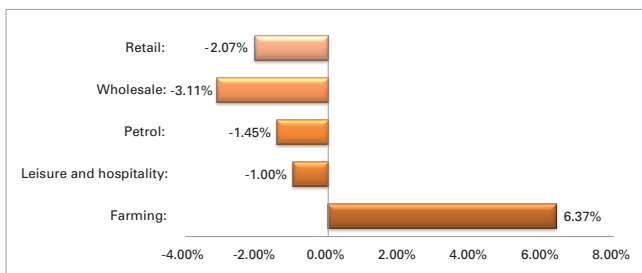
Month	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	National
May-11	R 434.08	R 397.98	R 399.26	R 412.32	R 455.44	R 434.12	R 406.66	R 401.77	R 367.39	R 406.41
Jun-11	R 440.87	R 391.96	R 400.41	R 419.59	R 457.01	R 440.88	R 409.17	R 398.48	R 365.97	R 409.95
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

AVERAGE CASH WITHDRAWAL BY SITE CATEGORY

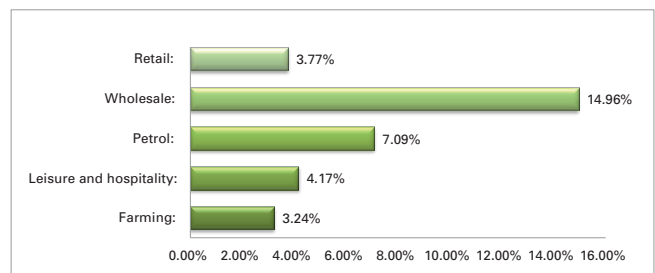
AVERAGE CASH WITHDRAWAL – MAY 2012

Retail	Wholesale	Petrol	Leisure & hospitality	Farming
R 419.45	R 439.65	R 434.65	R 386.55	R 355.93

MONTH-ON-MONTH CHANGE APRIL 2012 – MAY 2012



YEAR-ON-YEAR CHANGE MAY 2011 – MAY 2012



According to the May 2012 SCI statistics, wholesale locations came out tops - for the third month running - by recording the highest average value of cash withdrawals at R439.65. The second highest location withdrawal value of R434.65 was recorded by petrol stations and retail* finished in third, recording a location withdrawal value of R419.45 for May 2012.

The highest month-on-month growth was 6.37%, recorded by farming locations, which also saw a year-on-year increase of 3.24%. This increase is in line with other growth factors in the sector, such as the recent announcement by the South African Agricultural Machinery Association of a 30% year-on-year increase in tractor sales.

The highest year-on-year growth figure of 14.96% was recorded by wholesale locations, which is in line with the increasing trend of consumers purchasing items from wholesale outlets, in an effort to reduce daily expenses.

*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
May-11	R 404.20	R 382.44	R 405.89	R 371.08	R 344.77
Jun-11	R 411.82	R 356.29	R 411.87	R 367.68	R 387.06
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

DATA TABLE

Below is the data table including all relevant statistics from May 2009 to May 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
May-09	R 374	-1.68%	4.60%	R 428
Jun-09	R 371	-0.84%	5.07%	R 416
Jul-09	R 378	1.85%	4.24%	R 424
Aug-09	R 374	-0.92%	2.45%	R 418
Sep-09	R 383	2.21%	5.16%	R 425
Oct-09	R 397	3.53%	7.44%	R 439
Nov-09	R 396	-0.16%	6.87%	R 452
Dec-09	R 434	8.65%	6.24%	R 600
Jan-10	R 400	-8.40%	7.40%	R 426
Feb-10	R 396	-1.02%	8.26%	R 416
Mar-10	R 396	0.02%	8.47%	R 446
Apr-10	R 408	2.94%	7.31%	R 438
May-10	R 402	-1.47%	7.53%	R 453
Jun-10	R 413	2.54%	11.26%	R 454
Jul-10	R 412	-0.09%	9.10%	R 464
Aug-10	R 399	-3.18%	6.61%	R 440
Sep-10	R 406	1.62%	5.94%	R 454
Oct-10	R 408	0.50%	2.71%	R 471
Nov-10	R 412	1.10%	4.00%	R 492
Dec-10	R 447	8.45%	3.03%	R 655
Jan-11	R 407	-8.97%	1.67%	R 458
Feb-11	R 404	-0.63%	2.06%	R 446
Mar-11	R 403	-0.24%	1.83%	R 478
Apr-11	R 423	4.78%	3.56%	R 490
May-11	R 406	-3.88%	1.00%	R 465
Jun-11	R 410	0.90%	-0.67%	R 478
Jul-11	R 418	2.11%	1.51%	R 495
Aug-11	R 406	-3.05%	1.65%	R 492
Sep-11	R 414	1.97%	2.00%	R 513
Oct-11	R 418	1.22%	1.74%	R 530
Nov-11	R 421	0.55%	2.17%	R 553
Dec -11	R 457	8.05%	2.43%	R 747
Jan-12	R 417	-9.53%	2.58%	R 502
Feb-12	R 411	-1.46%	1.83%	R 503
Mar-12	R 417	1.46%	3.54%	R 535
Apr-12	R 435	4.03%	3.02%	R 524
May-12	R 425	-2.18%	4.81 %	Not released yet

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.

EXPLANATORY NOTES

The value for the SCI 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.

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