

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, recorded a positive month-on-month growth of 0.78% in average cash withdrawal figures for November 2012, from R439.27 to R442.71. This follows a month-on-month drop of 2.27% in average cash withdrawal figures for October 2012, fuelled by the strikes in the transport and mining sectors.

According to Marc Sternberg, Managing Director of Spark ATM Systems, the return to work of striking mineworkers following their salary increase and needing to stock-up after 2-3 months without pay, appears to have positively impacted cash withdrawal activity throughout the country in November.

"This is highlighted by the rise in average cash withdrawal values at wholesale locations, which recorded a month-on-month growth of 1.36% and year-on-year growth of 16.96%. Spaza shop owners stocking up ahead of the Christmas season rush has also likely boosted ATM withdrawal values at wholesale locations."

However, Ronel Oberholzer, Principal Economist at IHS Global Insights, says that average cash withdrawal values in November were somewhat dampened by the ongoing strikes in the farming sector. "The SCI data noted a month-on-month drop of 2.70% at rural locations, which points to the negative impact that the strikes in the farming sector are starting to have on cash withdrawal activity."

AVERAGE CASH WITHDRAWAL VALUE

AVERAGE CASH WITHDRAWN
NOVEMBER 2012

R442.71

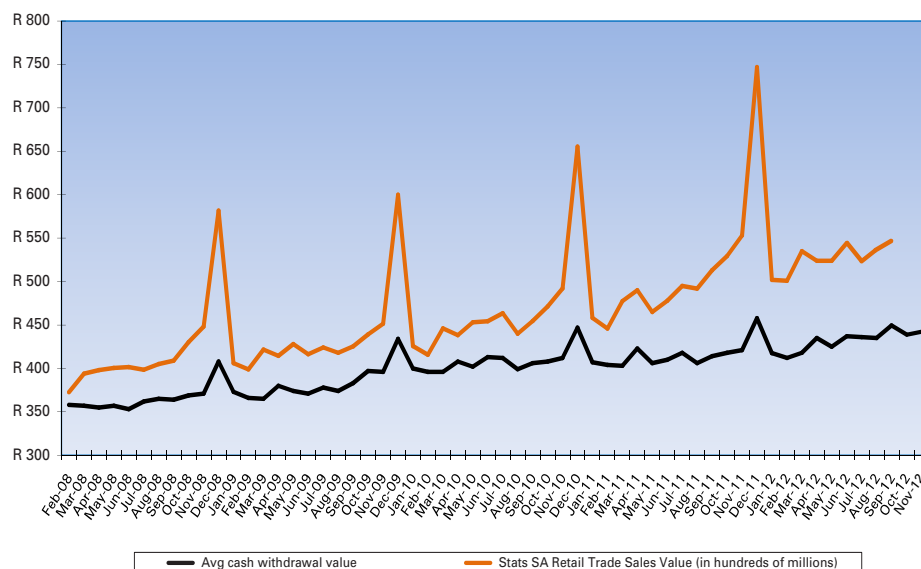
MONTH-ON-MONTH CHANGE
OCT 2012 VS NOV 2012

↑ 0.78 %

YEAR-ON-YEAR CHANGE
NOV 2011 VS NOV 2012

↑ 5.20 %

AVERAGE CASH WITHDRAWAL VALUE VS STATS SA RETAIL TRADE SALES VALUE

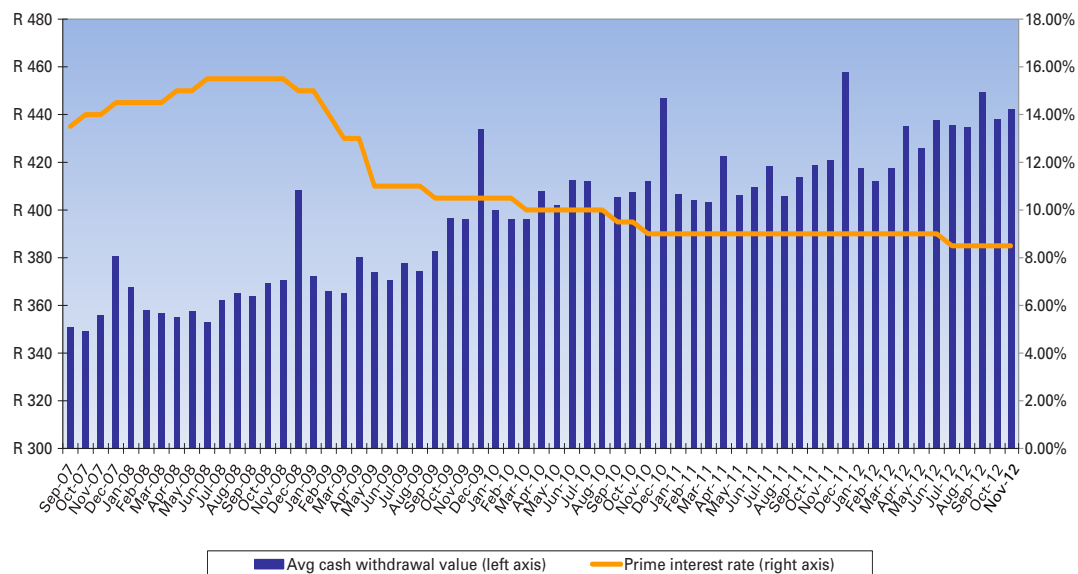


"Many of the farmworkers are seasonal migrant workers who spend their money before they return home, so if they lose their wages, they do not have the disposable income to use, resulting in the decrease in ATM withdrawal activity recorded at these locations."

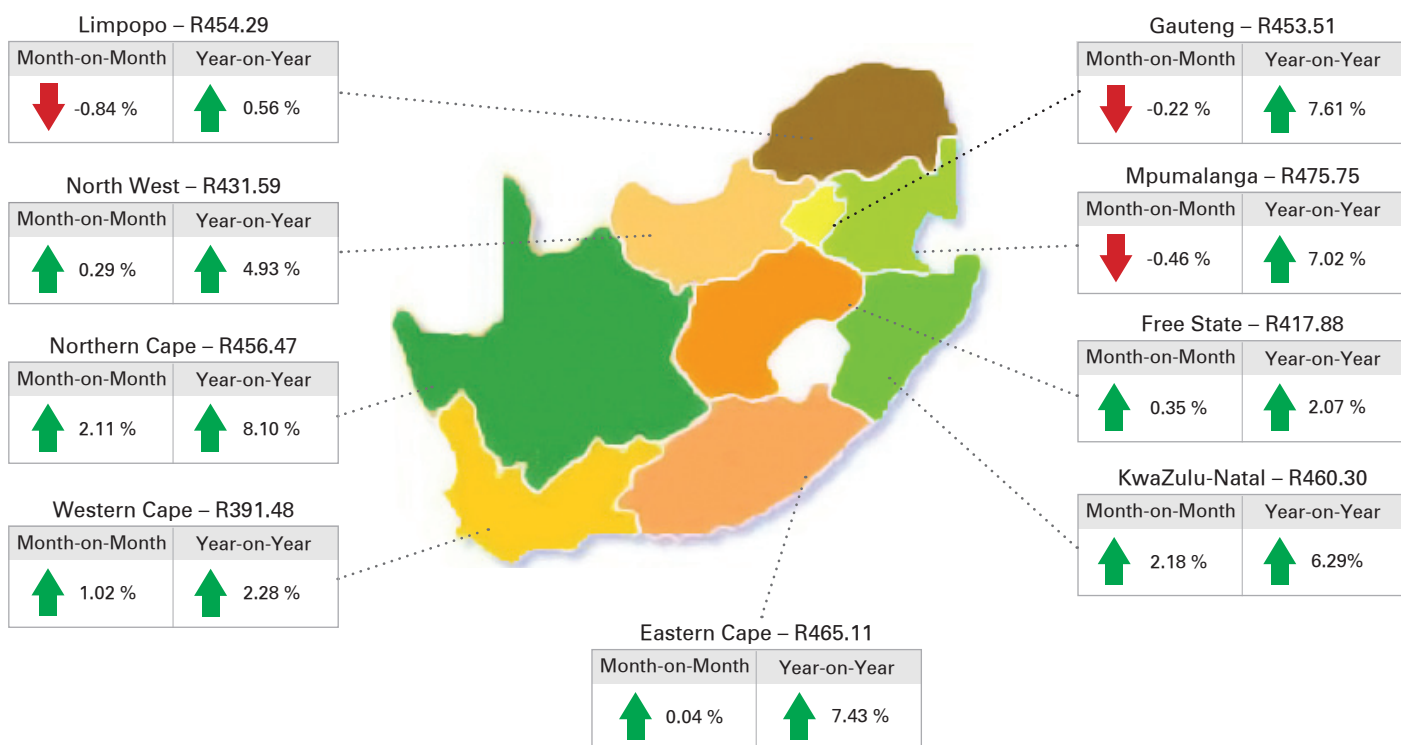
Further evidence of the negative effect that the farmworker strikes are having can be seen in the fact that the Western Cape, which has been hardest hit by these strikes, recorded the lowest average cash withdrawal value (R391.48) of all 9 provinces in South Africa. "This indicates that the loss of income has already begun to impact buying power in this province," says Sternberg.

Sternberg says he expects cash withdrawal values to continue their upward trend in the final month of the year. "Historically, December ATM cash withdrawal values reveal the highest month-on-month growth for the year due to increased spending over the festive season. We expect 2012 to be no different. Workers usually get bonuses and people are typically more willing to spend more money while they are on holiday. In addition to this, many workers go home to visit family for the holidays and draw cash to take along."

AVERAGE CASH WITHDRAWAL VS PRIME INTEREST RATE



AVERAGE CASH WITHDRAWAL BY REGION



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

For the tenth month in a row, the Mpumalanga province recorded the highest provincial average cash withdrawal value (R475.75) for November 2012, followed the Eastern Cape (R465.11) and KwaZulu-Natal (R460.30) provinces.

“By reviewing the regional SCI data, it is clear that the economic effects of the farmworkers strike action in the Western Cape are being felt as this province recorded the lowest average cash withdrawal value of R391.48, revealing that the loss of income has already begun to impact buying power in this province,” says Sternberg.

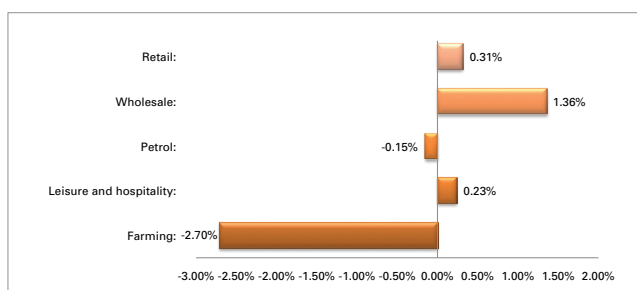
REGIONAL AVERAGE CASH WITHDRAWAL DATA TABLE

Month	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	National
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
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

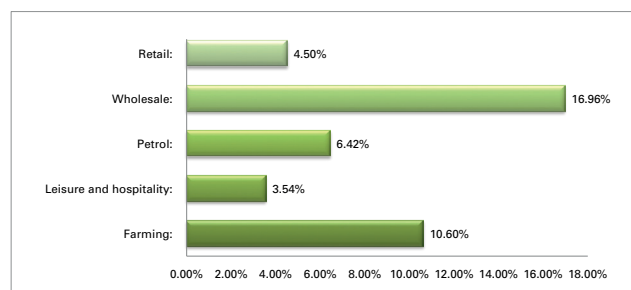
AVERAGE CASH WITHDRAWAL BY SITE CATEGORY

Retail	Wholesale	Petrol	Leisure & hospitality	Farming
R 434.28	R 456.30	R 439.38	R 402.21	R 442.39

MONTH-ON-MONTH CHANGE OCTOBER 2012 – NOVEMBER 2012



YEAR-ON-YEAR CHANGE NOVEMBER 2011 – NOVEMBER 2012



Wholesale locations came out tops for the eighth consecutive month by posting the highest average cash withdrawal figure of R456.30, in addition to the largest month-on-month increase of 1.36% and year-on-year increase of 16.96%. Farming sites recorded the second highest value of R442.39, despite showing a 2.70% decline in withdrawal activity month-on-month, followed by petrol sites with a value of R439.38, which also recorded a 0.15% drop month-on-month.

"The recent high petrol prices may have resulted in consumers becoming more conscious of their fuel consumption, and perhaps even taking part in carpooling initiatives, hence the slight month-on-month drop noted at petrol sites. However, the upcoming easing of petrol prices and increase in local travelling over the festive season is likely to result in a boost in withdrawal activity for petrol sites as consumers fill up on petrol and stock up on food supplies ahead of road trips," 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
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
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

DATA TABLE

Below is the data table including all relevant statistics from November 2009 to November 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
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%	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%	Not yet released
Nov-12	R 442.71	0.78%	5.20%	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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