



National Gambling Board
South Africa
a member of the sbsi group

REVISED AUDITED

National Gambling Statistics

Casinos, Bingo, Limited Pay-out Machines and Betting on Horse Racing and Sport
offered by Bookmakers and Totalisators

2015/2016 Financial Year (FY16)

1 April 2015 – 31 March 2016

Quarter 1 = 1 April 2015 – 30 June 2015

Quarter 2 = 1 July 2015 – 30 September 2015

Quarter 3 = 1 October 2015 – 31 December 2015

Quarter 4 = 1 January 2016 – 31 March 2016

Introduction

- ❑ The National Gambling Board (NGB) is mandated by the National Gambling Act (NGA), Act 7 of 2004, Section 65(2)(e) to monitor market conduct and market share.
- ❑ NGB monitors market conduct (number of gambling positions and outlets in the South African gambling sector) and also gathers and analyses national gambling statistics in terms of turnover (TO), Gross Gambling Revenue (GGR) and the collection of taxes/levies. The NGB website is updated with a detailed Power Point presentation annually, which is based on audited information representative of that financial year.
- ❑ The scope of this report covers information (national gambling statistics) related to the following legalised gambling modes in South Africa (as regulated by the NGB) for quarters 1, 2, 3 & 4 of the Financial Year (FY) 2016:
 - Casinos (tables and slots);
 - Betting on horse racing and sport (offered by bookmakers and totalisators, on and off course);
 - Limited Payout Machines (LPMs); and
 - Bingo (traditional and Electronic Bingo Terminals (EBTs)).
- ❑ GGR statistics were edited as a result of revised audited casino statistics submitted by the North West Gambling Board during November 2016.

Introduction

- ❑ Quarterly statistics are sourced from Provincial Licensing Authorities (PLAs). FY16 information in this report is based on audited data.
- ❑ The board cannot be held responsible for the correctness of information (refer to the disclaimer).
- ❑ The information in this report is applicable to the period of 1 April 2015 to 31 March 2016 (referred to as FY2016), whereas quarters are representative of the following specific periods:
 - Quarter 1: 1 April 2015 – 30 June 2015;
 - Quarter 2: 1 July 2015 – 30 September 2015;
 - Quarter 3: 1 October 2015 – 31 December 2015; and
 - Quarter 4: 1 January 2016 – 31 March 2016.
- ❑ The purpose of this report is to provide an overview regarding the status and performance of the South African gambling sector (excluding the National Lottery) in terms of national gambling statistics pertaining to FY16, as well as trends over time.

Definitions

- ❑ **TO** = Turnover (the rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion)
- ❑ **GGR** = Gross Gambling Revenue (the rand value of the gross revenue of an operator i.e. turnover less winnings paid to players)
- ❑ **Tax** = Gambling tax (gambling tax levied and collected by Provincial Licensing Authorities)
- ❑ **RTP** = Return to Player is an average achieved over a significant number of game plays and not each time the gaming machine is played (Total amount returned to players / Total amount wagered by players x 100)

Source of data

Statistics are based on provincial statistics and audited data received from all the Provincial Licensing Authorities quarterly:

- Eastern Cape Gambling and Betting Board
- Free State Gambling and Liquor Authority
- Gauteng Gambling Board
- KwaZulu-Natal Gaming and Betting Board
- Limpopo Gambling Board
- Mpumalanga Gambling Board
- Northern Cape Gambling Board
- North West Gambling Board
- Western Cape Gambling and Racing Board

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EXECUTIVE SUMMARY

GGR generated in the casino industry increased by 4.5% from FY14 to FY15 and by 5.8% from FY15 to FY16. Two new casinos became operational during FY15 (Northern Cape) and FY16 (Limpopo). During FY16 casinos accounted for the highest GGR generated, being 70.2% as compared to other gambling modes. Compared to all other provinces, Gauteng at a 40.4% share, accounted for the highest amount of GGR generated during FY16.

GGR generated in the betting on horse racing and sport sector represents 17.1% of the total amount of GGR generated during FY16. GGR generated in the betting industry increased by 22.2% from FY14 to FY15, and by 28.5% from FY15 to FY16. This is mainly as a result of major increases in the generation of GGR by bookmakers offering betting on sport. However, during FY2016 and in monetary value, the highest amounts of taxes/levies were collected from bookmakers offering betting on horse racing. These trends continued in FY16.

GGR generated in the LPM sector during FY16 represents 9.1% of the total amount of GGR generated by all licensed gambling modes. Significant increases in GGR generated have been recorded in the LPM industry - an increase of 19.6% from FY14 to FY15, and by 13.7% from FY15 to FY16.

GGR generated in the bingo sector during FY16 represents 3.6% of the total amount of GGR generated by all licensed gambling modes. Although significant increases in GGR generated were recorded in the bingo industry - an increase of 67.7% from FY13 to FY14 and by 52.5% from FY14 to FY15, a decrease by 16.1% was recorded from FY15 to FY16. This is mainly as a result of decreases in the generation of GGR in the bingo industry in Gauteng.

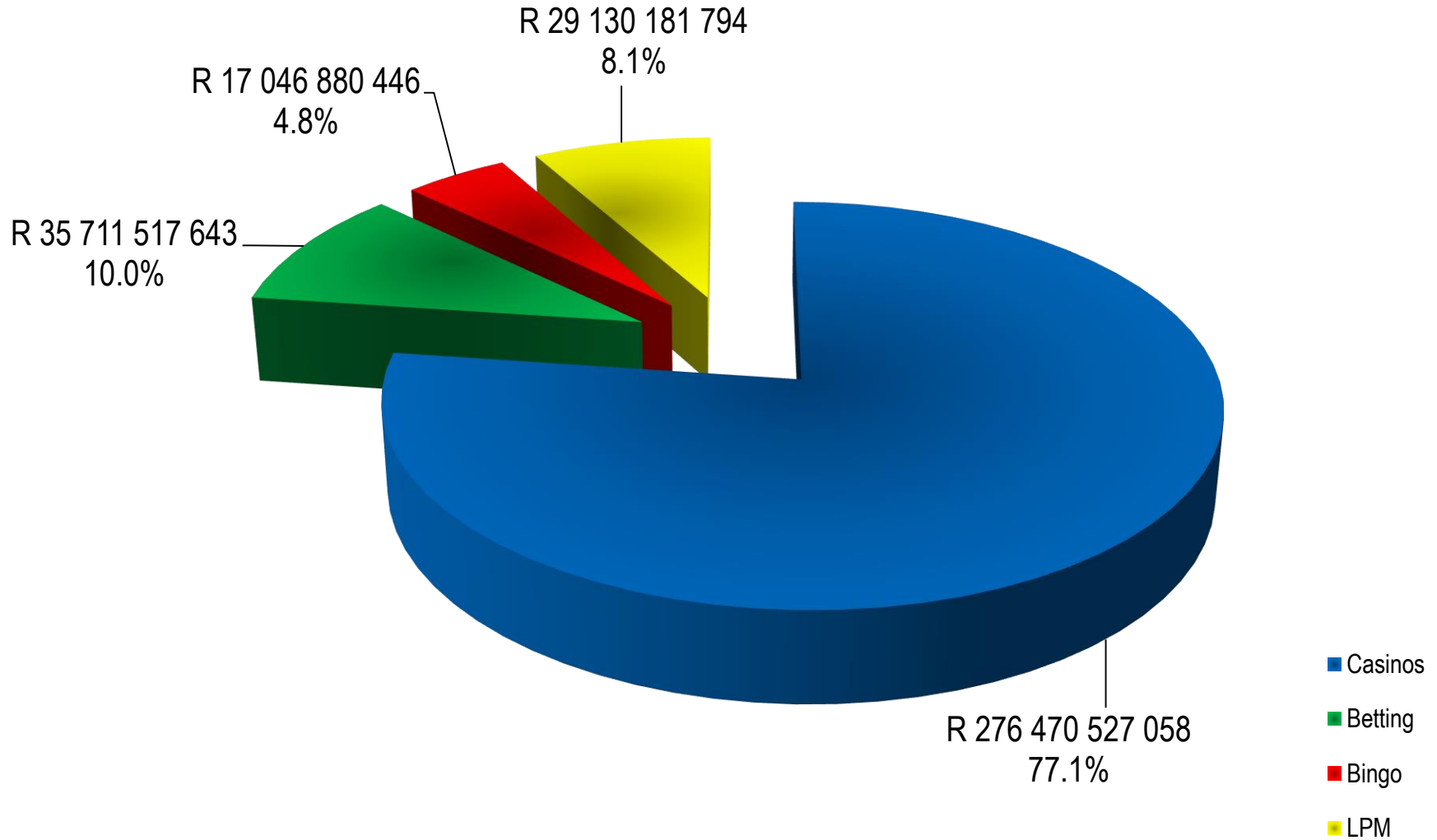
EXECUTIVE SUMMARY (continued)

The generation of GGR increased by 4.3% from R20,9 billion in FY13 to R 21,8 billion in FY14, by 9.6% to R 23,9 billion in FY15 and by 8.8% to R26.0 billion in FY16. A total amount of R 25 985 119 587 in GGR was generated during FY16. During FY16 casinos accounted for the highest GGR generated, being 70.2% as compared to other gambling modes. Compared to all other provinces, Gauteng at a 40.4% share, accounted for the highest amount of GGR generated.

The collection of taxes/levies increased by 6.6% from R2,1 billion in FY13 to R2,2 billion in FY14, by 10.7% to R2,5 billion in FY15, and by 11.9% to R2,8 billion in FY16. A total amount of R 2 770 743 912 was collected during FY16, Quarters 1, 2, 3 & 4. During FY16 (Quarters 1, 2, 3 & 4), at 71.1%, casinos contributed the highest amount of taxes/levies paid by comparison with other gambling modes. At 36.1% Gauteng accounts for the highest amount of taxes/levies paid compared to all other provinces.

Turnover per gambling mode – FY2016, Qrt 1, 2, 3 & 4

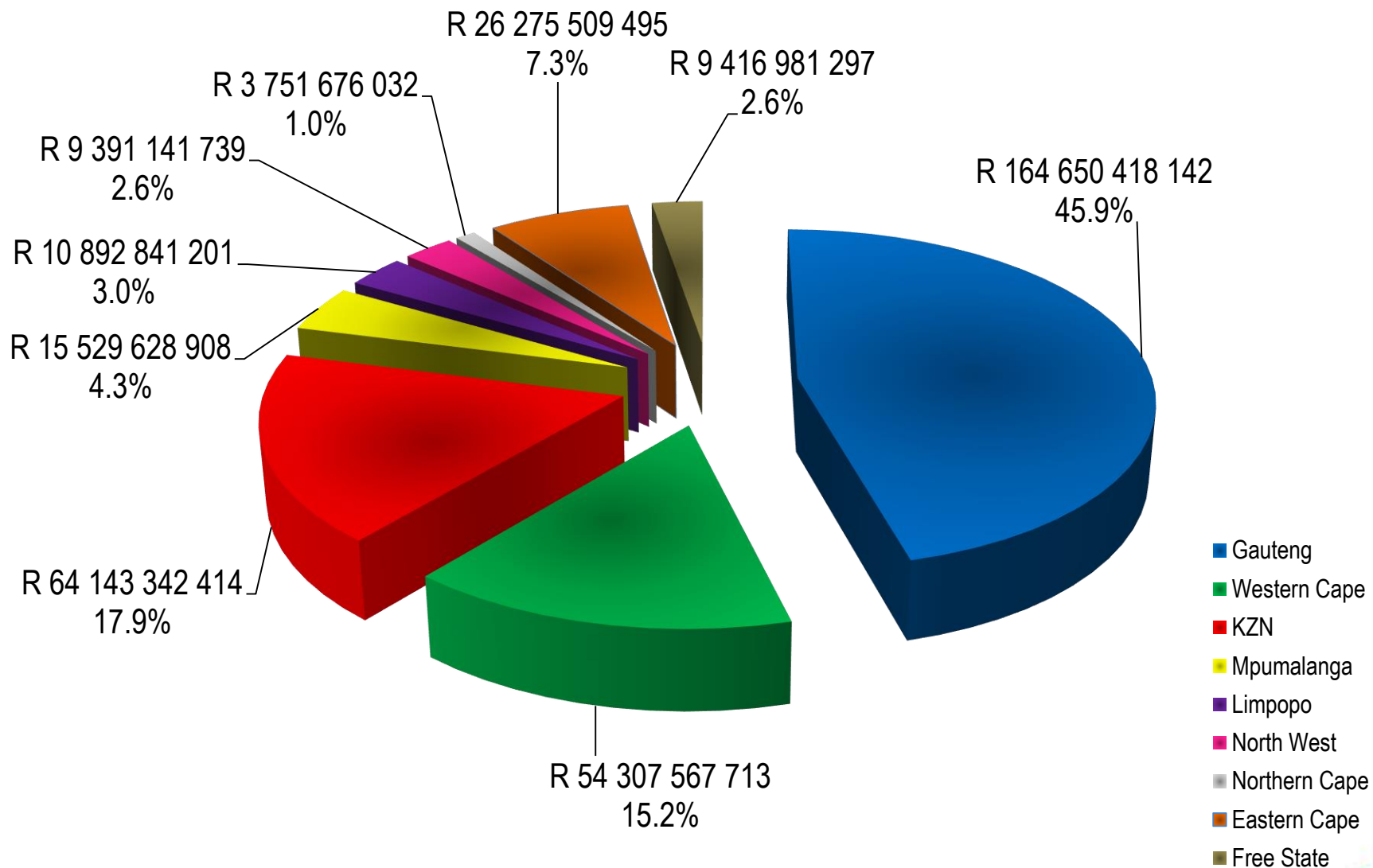
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion.



Total turnover: R 358 359 106 940

Turnover per province – FY2016, Qrt 1, 2, 3 & 4

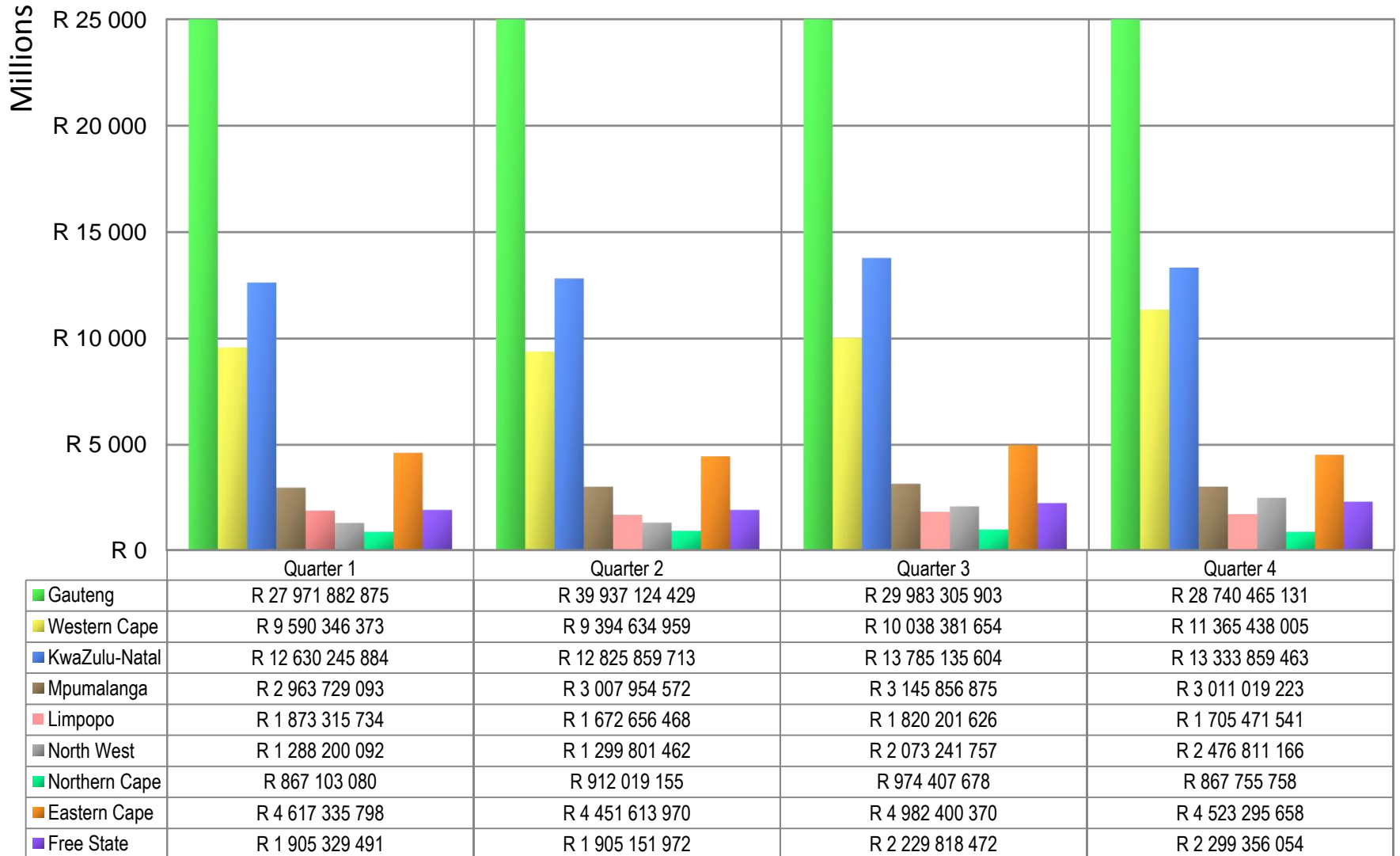
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion.



Total turnover: R 358 359 106 940

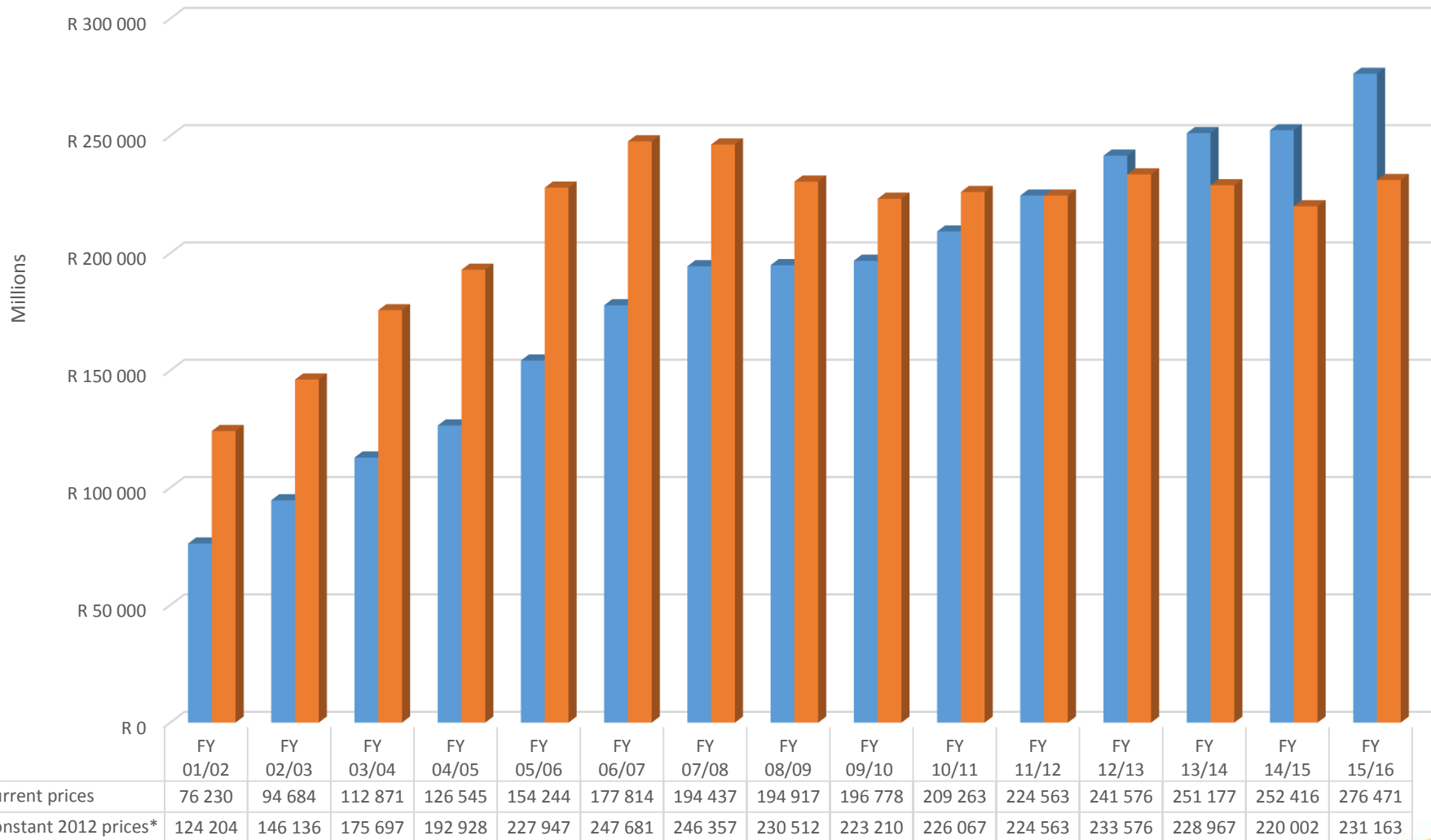
Quarterly casino turnover - FY2016, Qrt 1, 2, 3 & 4

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



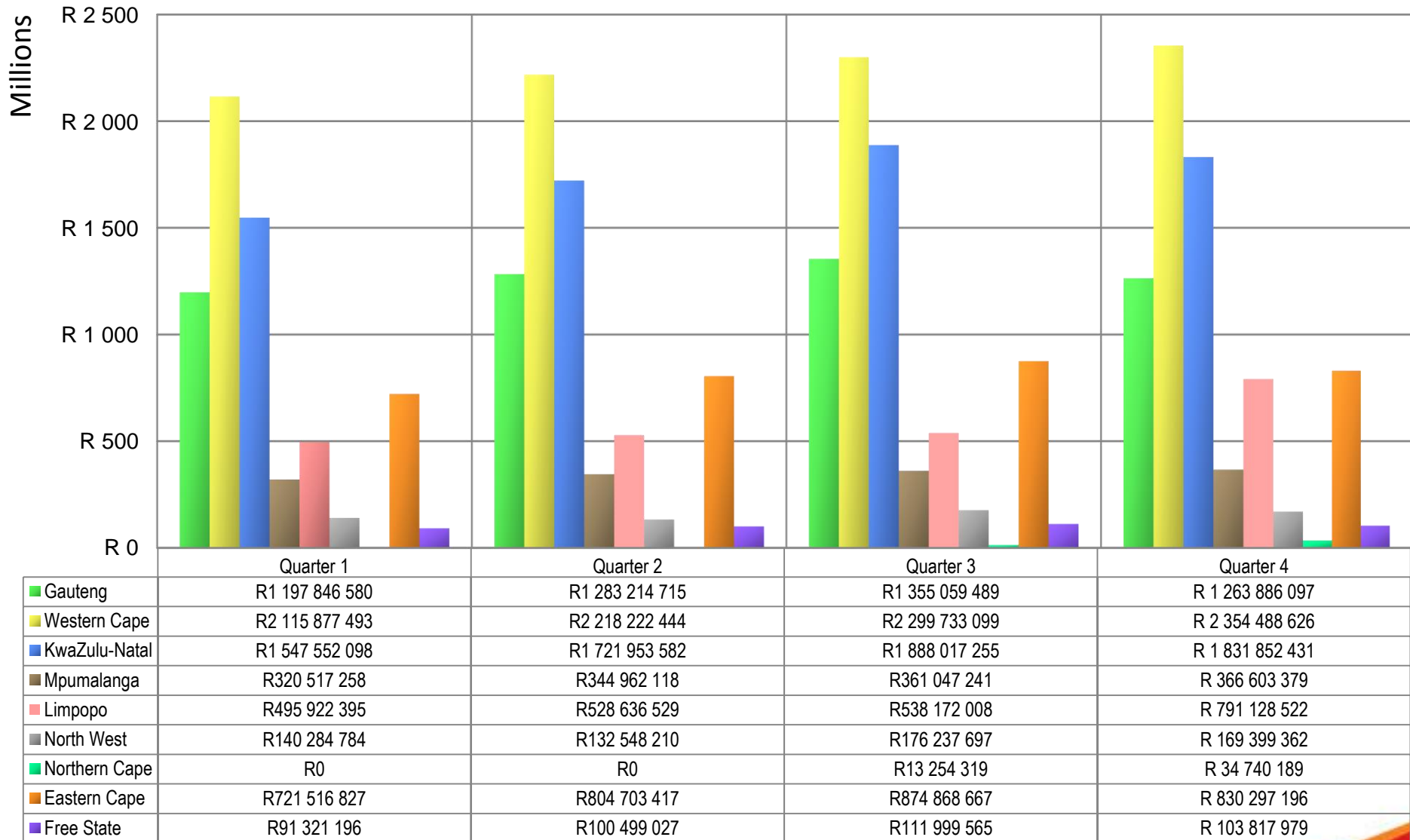
Trend in turnover casinos – FY2001/02 to FY2015/16

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



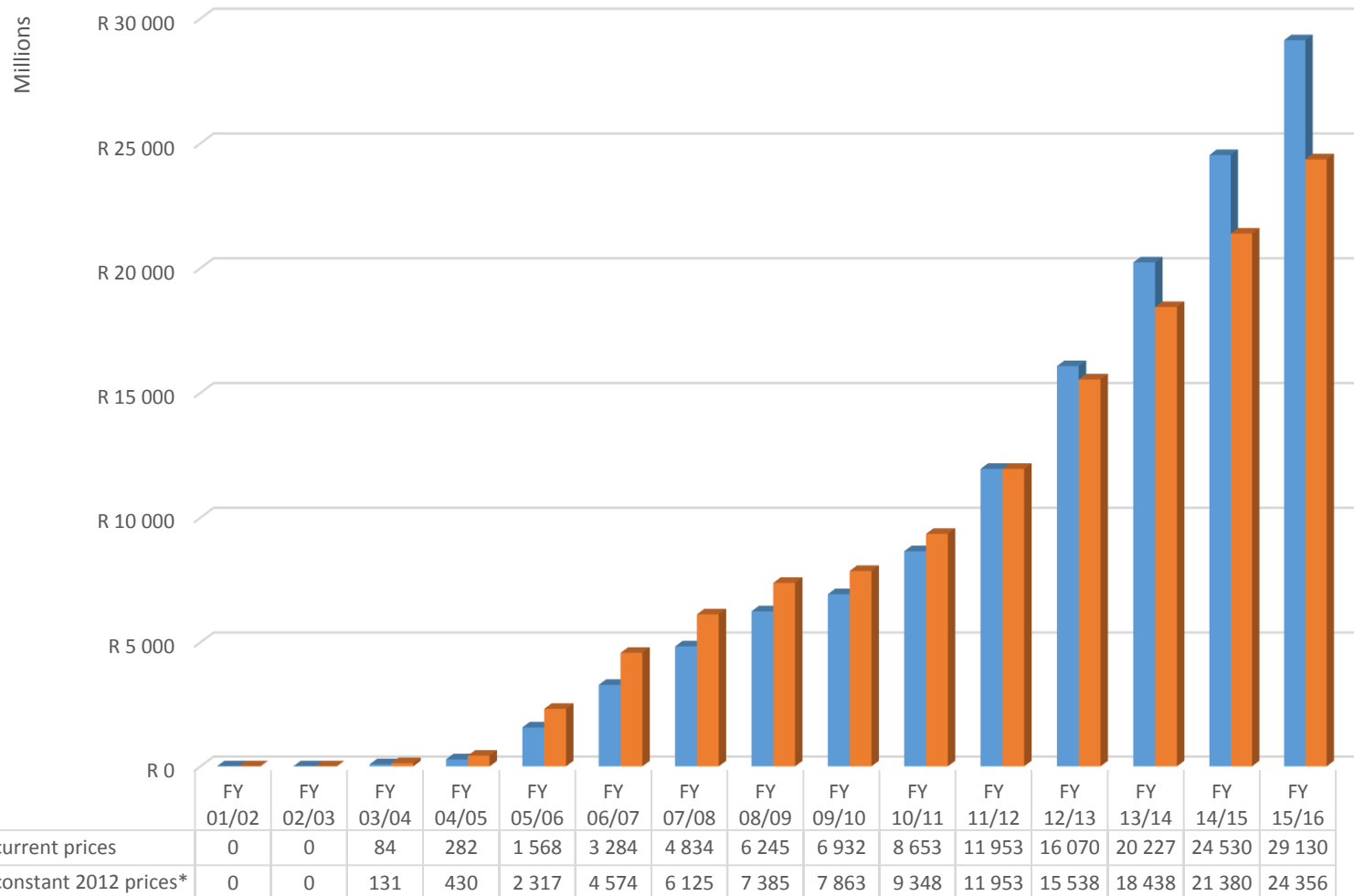
Quarterly LPM turnover - FY2016, Qrt 1, 2, 3 & 4

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



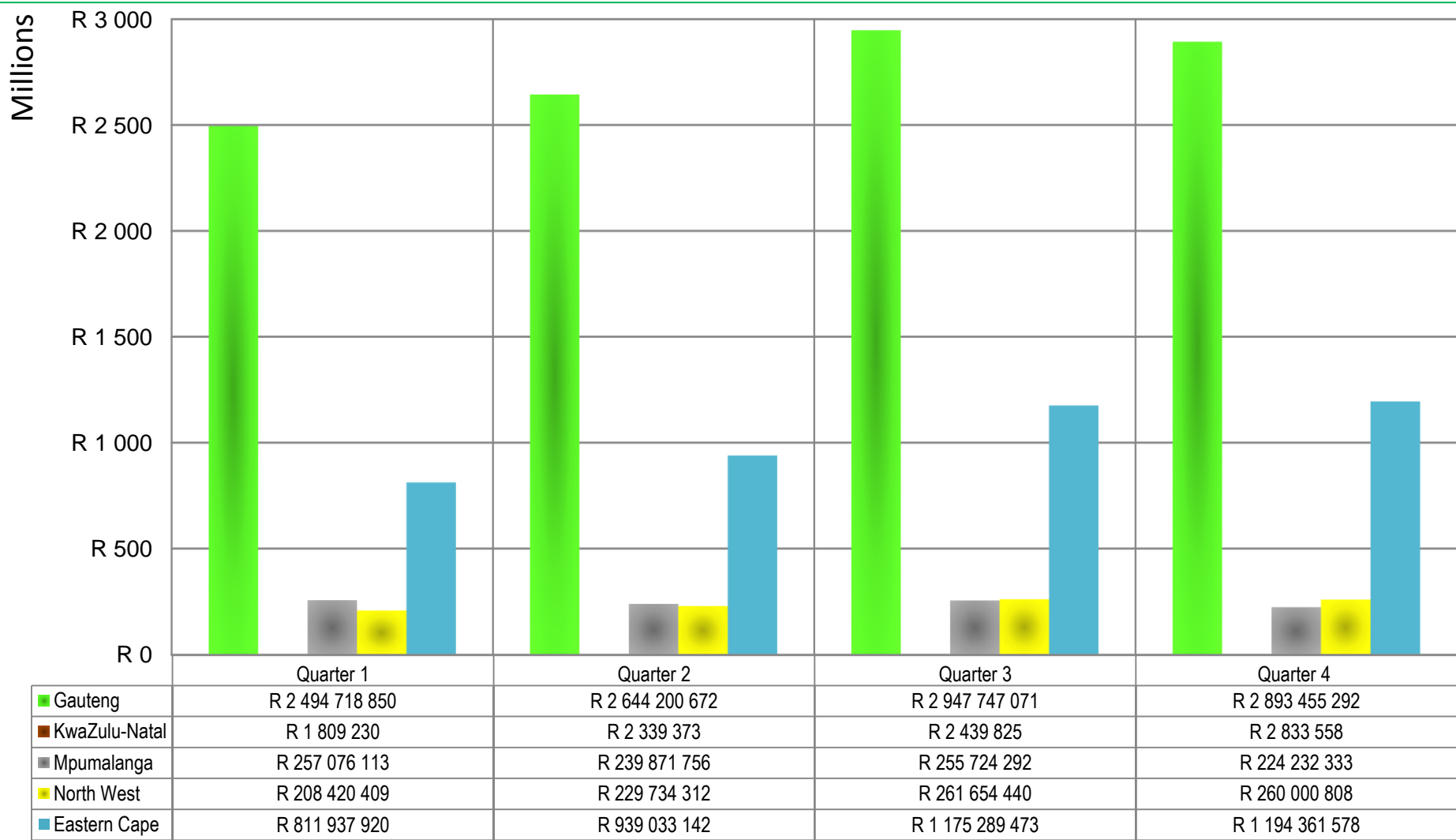
Trend in turnover LPMs – FY2001/02 to FY2015/16

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



Quarterly bingo turnover - FY2016, Qrt 1, 2, 3 & 4*

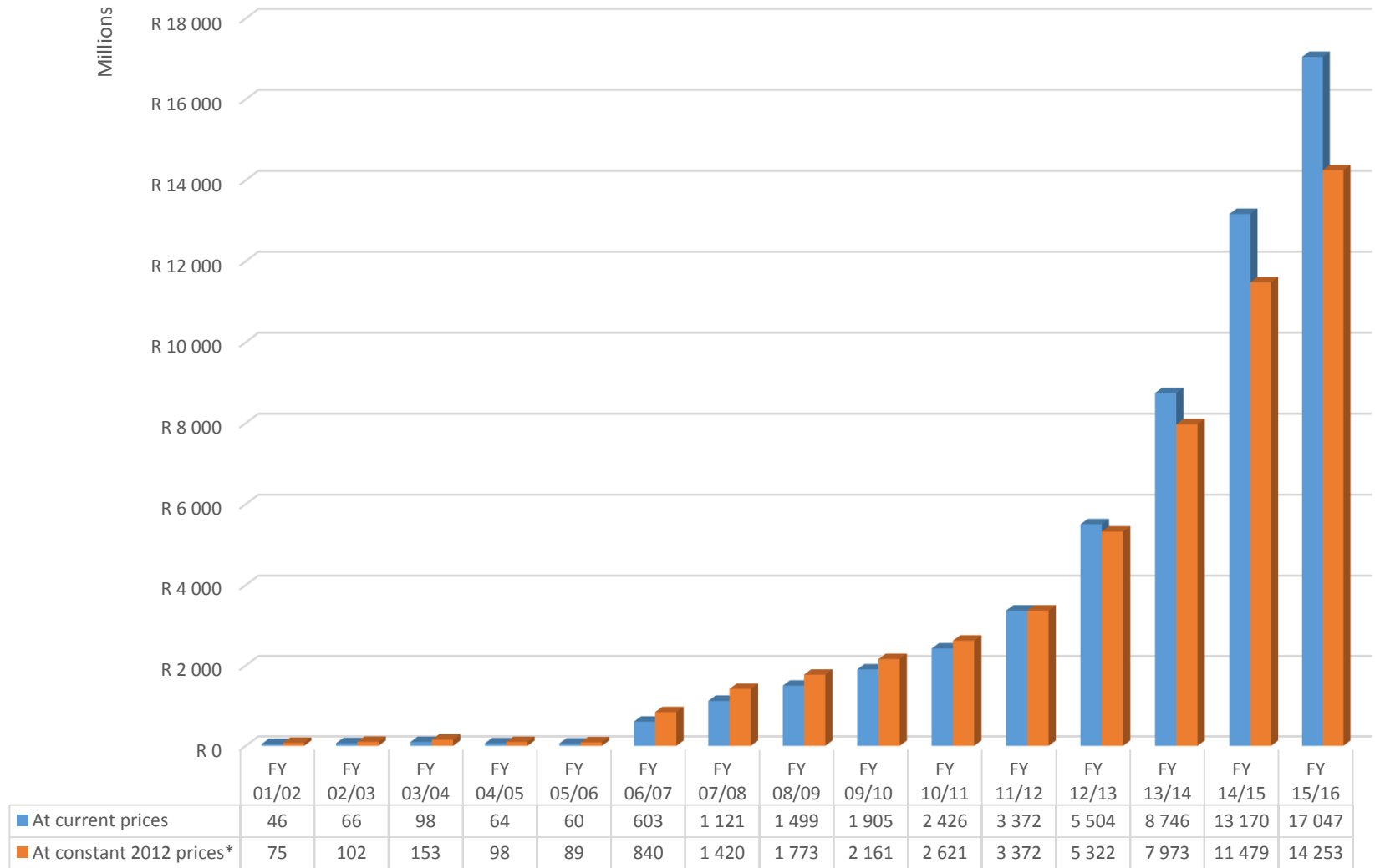
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



- Bingo offered for play in Gauteng, Mpumalanga, North West, KwaZulu-Natal and Eastern Cape only
- Figures for KZN too low to be visible on the graph

Trend in turnover bingo – FY2001/02 to FY2015/16

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



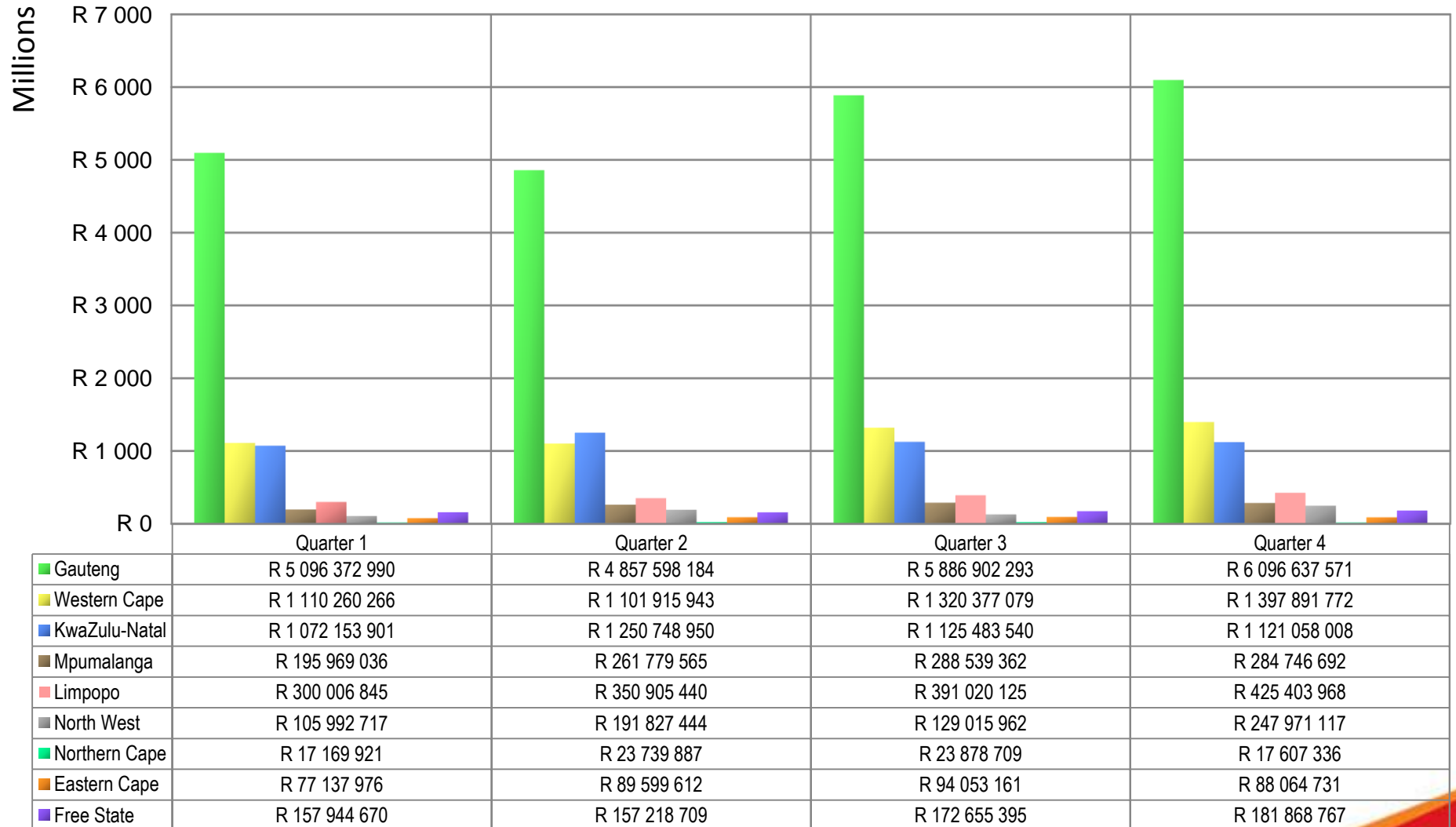
2012 constant prices, Reserve Bank

* Bingo statistics represents bingo offered for play in Gauteng, Mpumalanga, North West, KwaZulu-Natal and Eastern Cape only

Quarterly betting turnover – FY2016, Qrt 1, 2, 3 & 4

Bookmakers & Totalisators

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

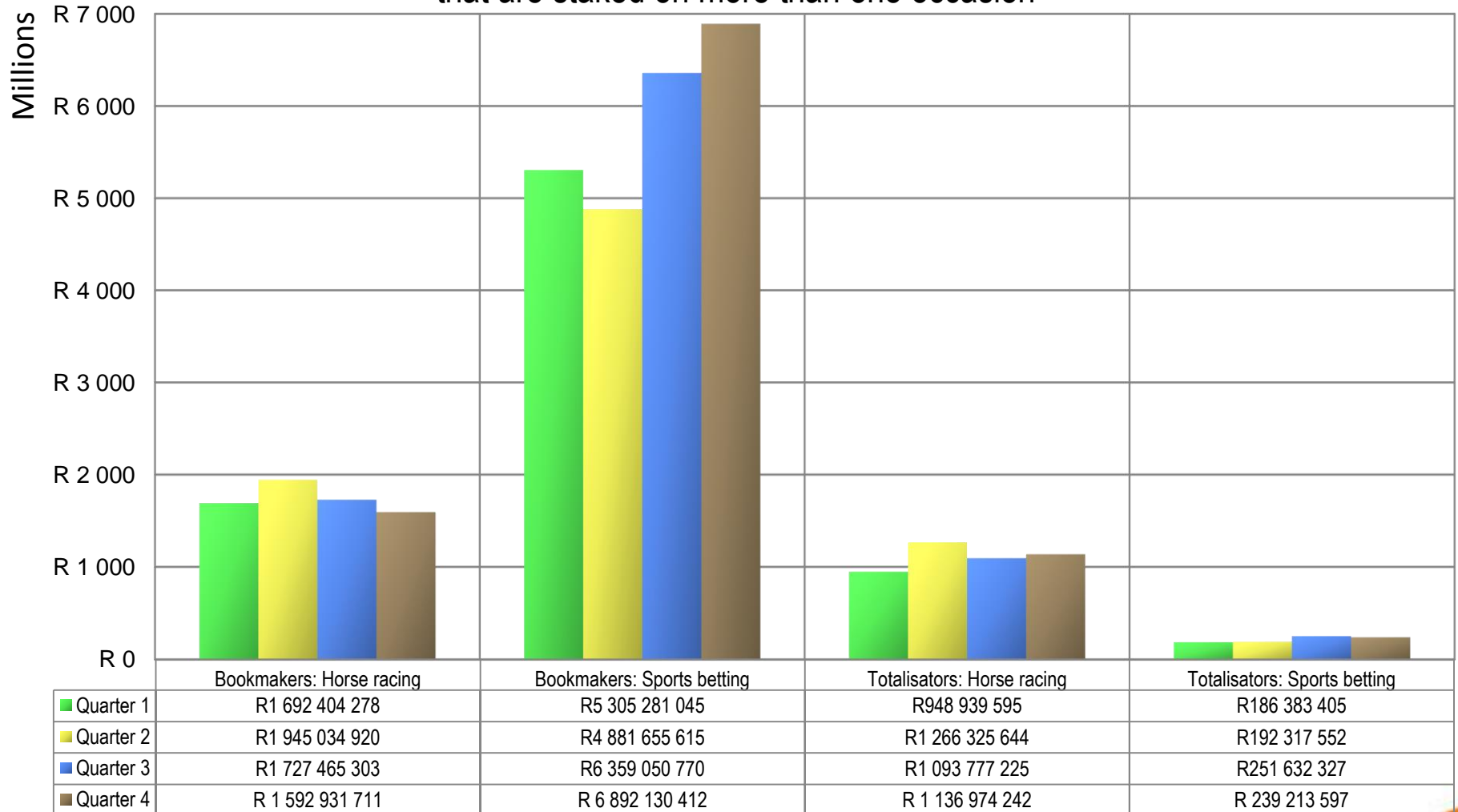


Quarterly betting turnover – FY2016, Qrt 1, 2, 3 & 4

Split between Bookmakers & Totalisators

Betting on horse racing & sport

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

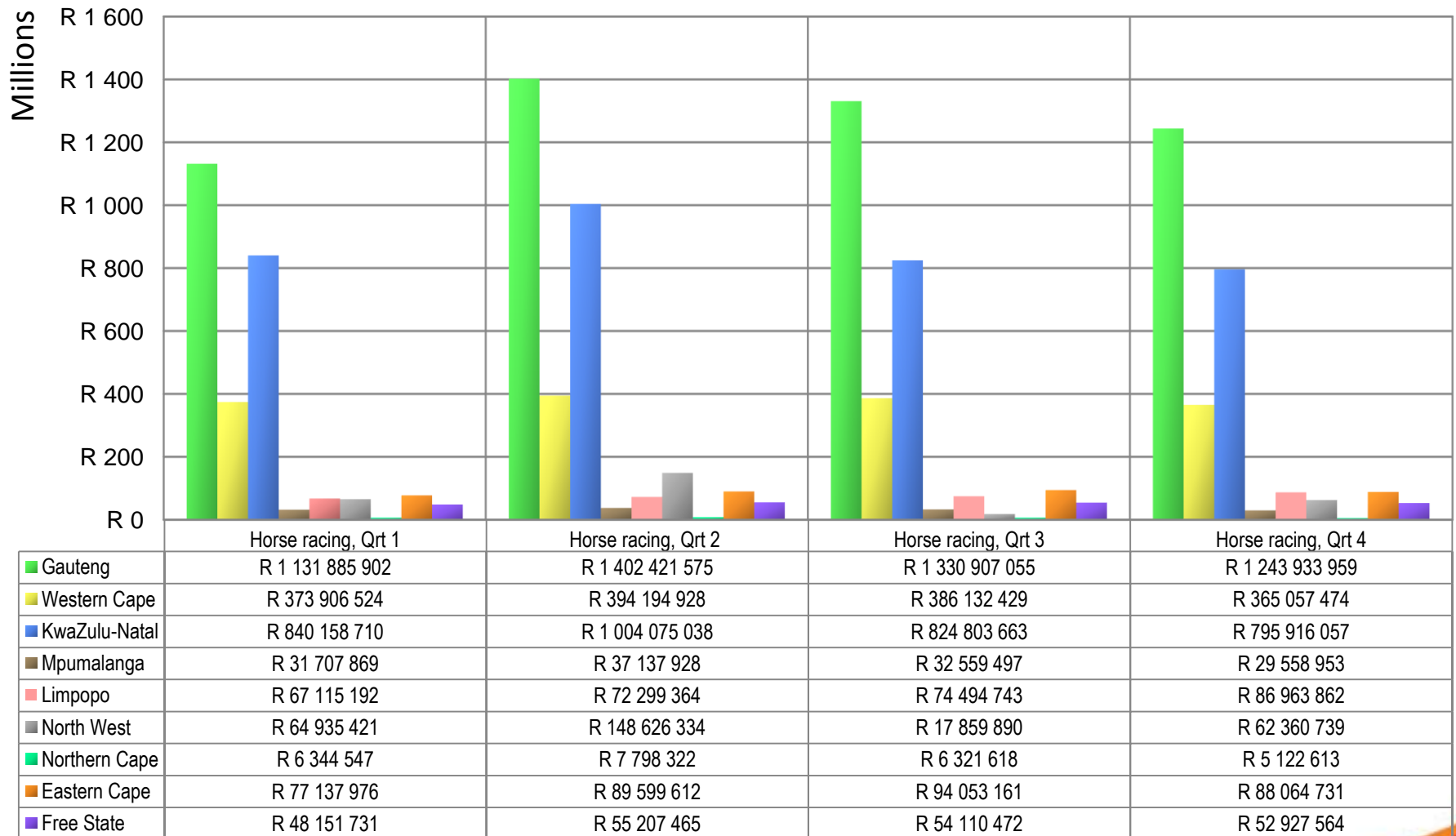


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting turnover – FY2016, Qrt 1, 2, 3 & 4

Betting on horse racing*

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

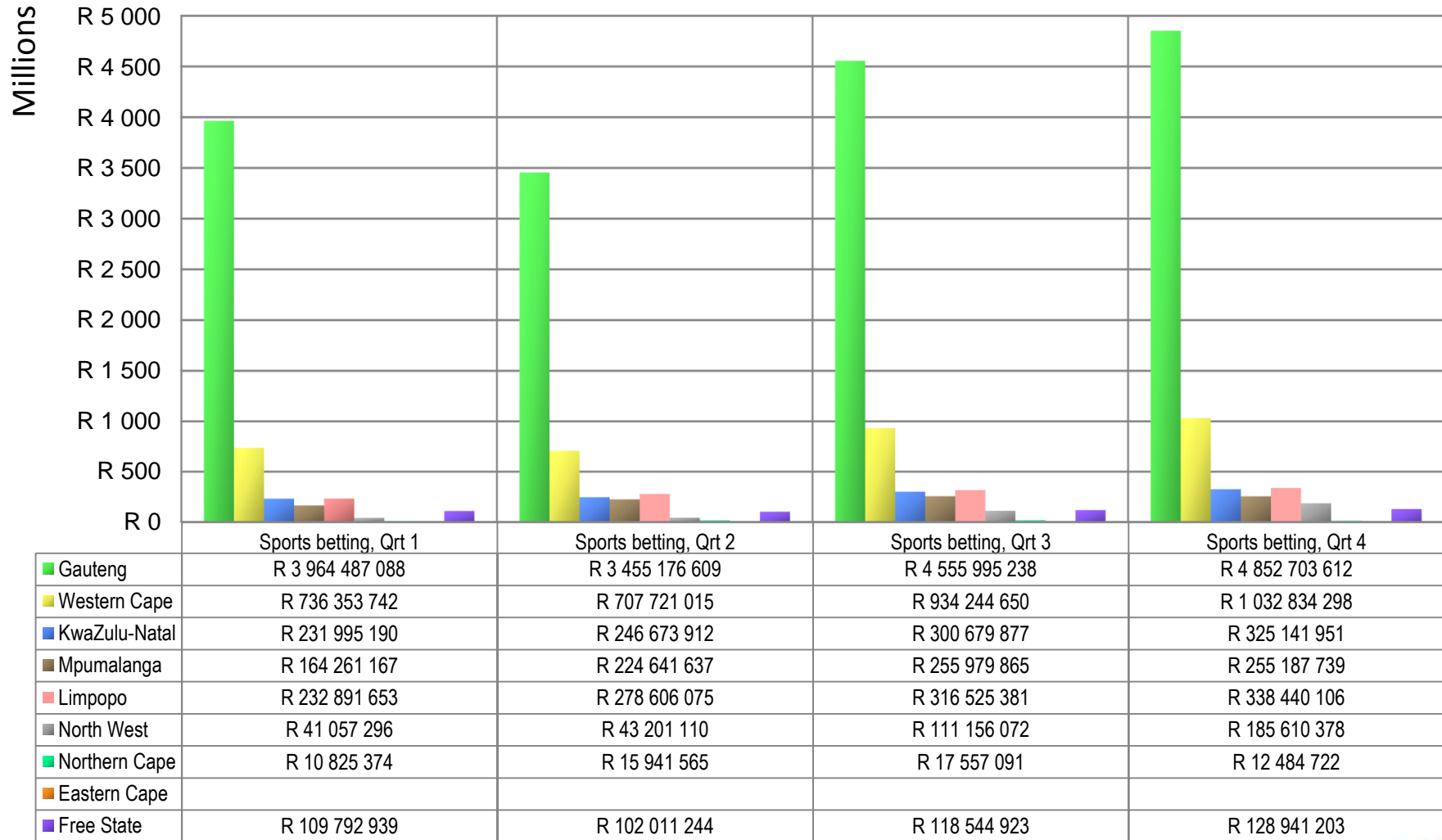


* Eastern Cape: Statistics includes sports betting

Quarterly betting turnover – FY2016, Qrt 1, 2, 3 & 4

Betting on sport*

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

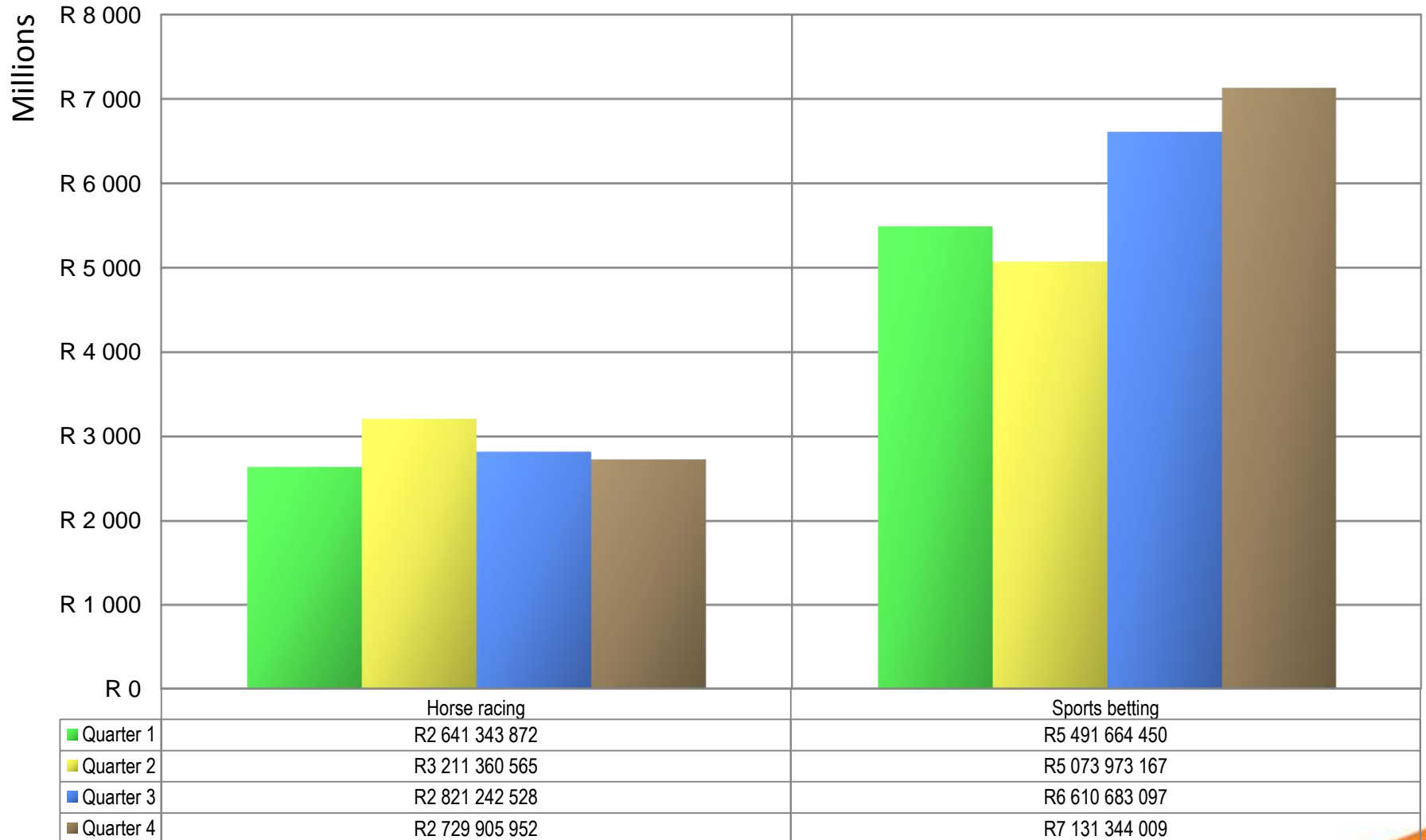


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting turnover – FY2016, Qrt 1, 2, 3 & 4

Split between betting on horse racing & sport

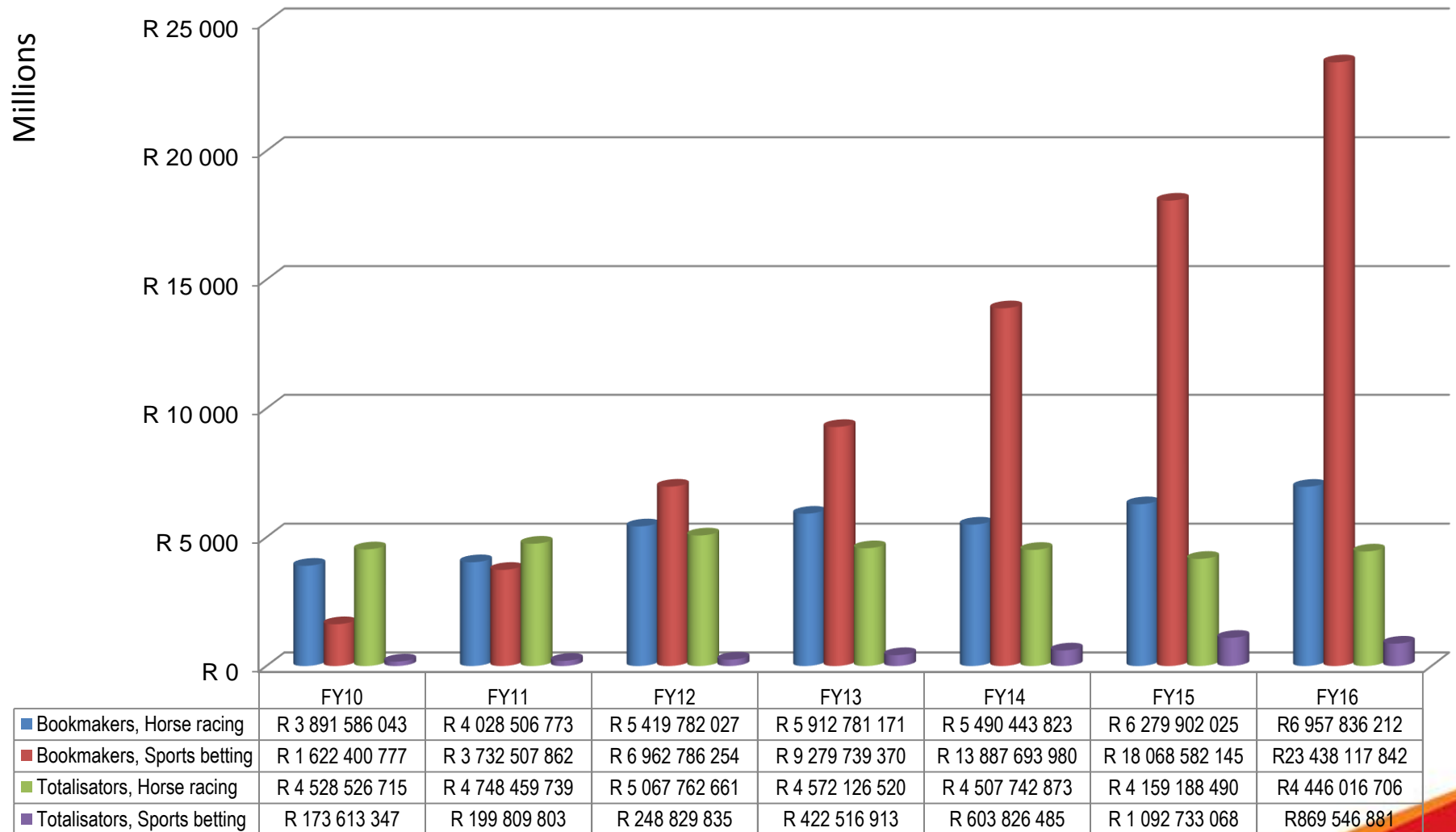
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

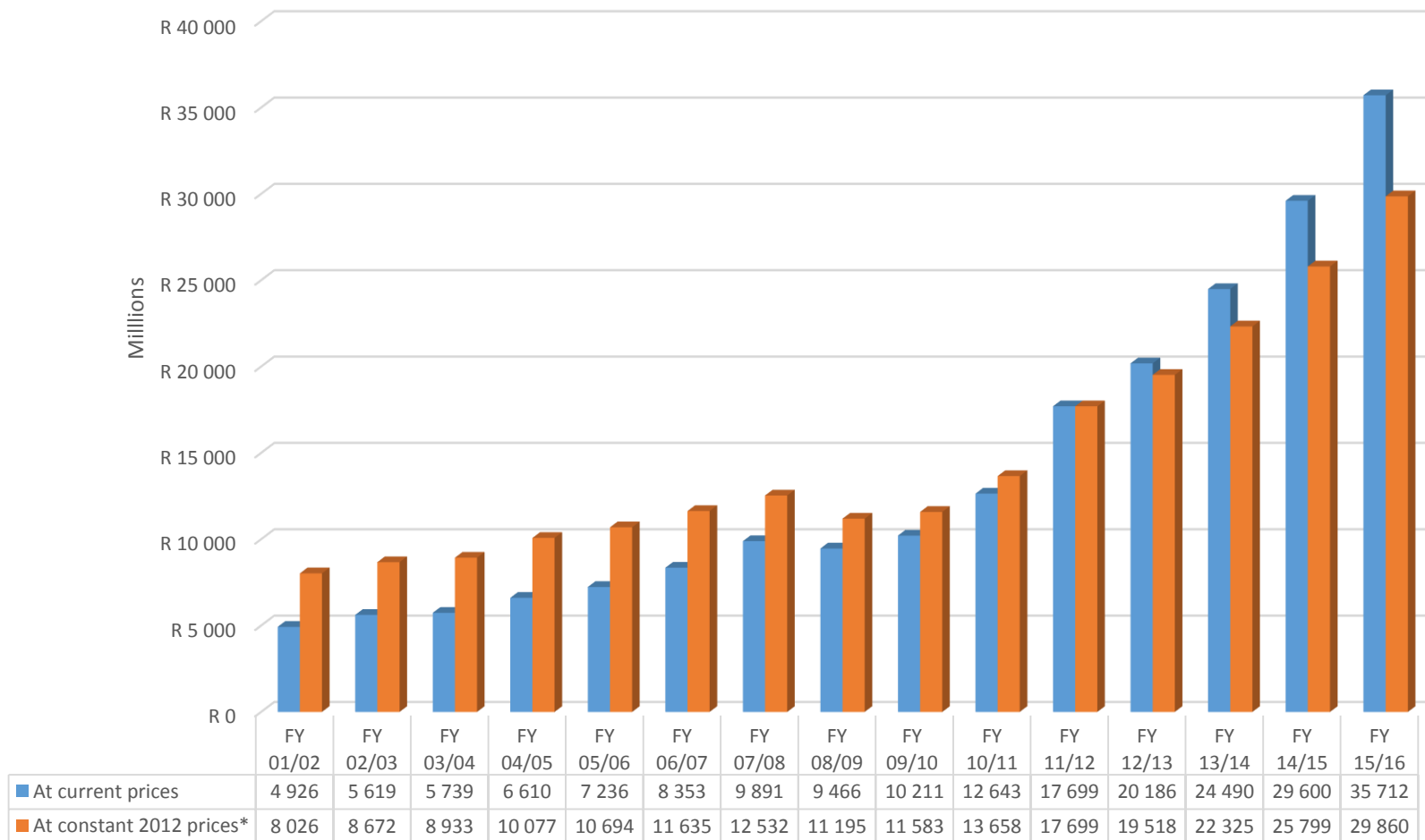
Trend in turnover, bookmakers & totalisators, FY2010 to FY2016

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



Trend in turnover, betting – FY2001/02 to FY2015/16

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

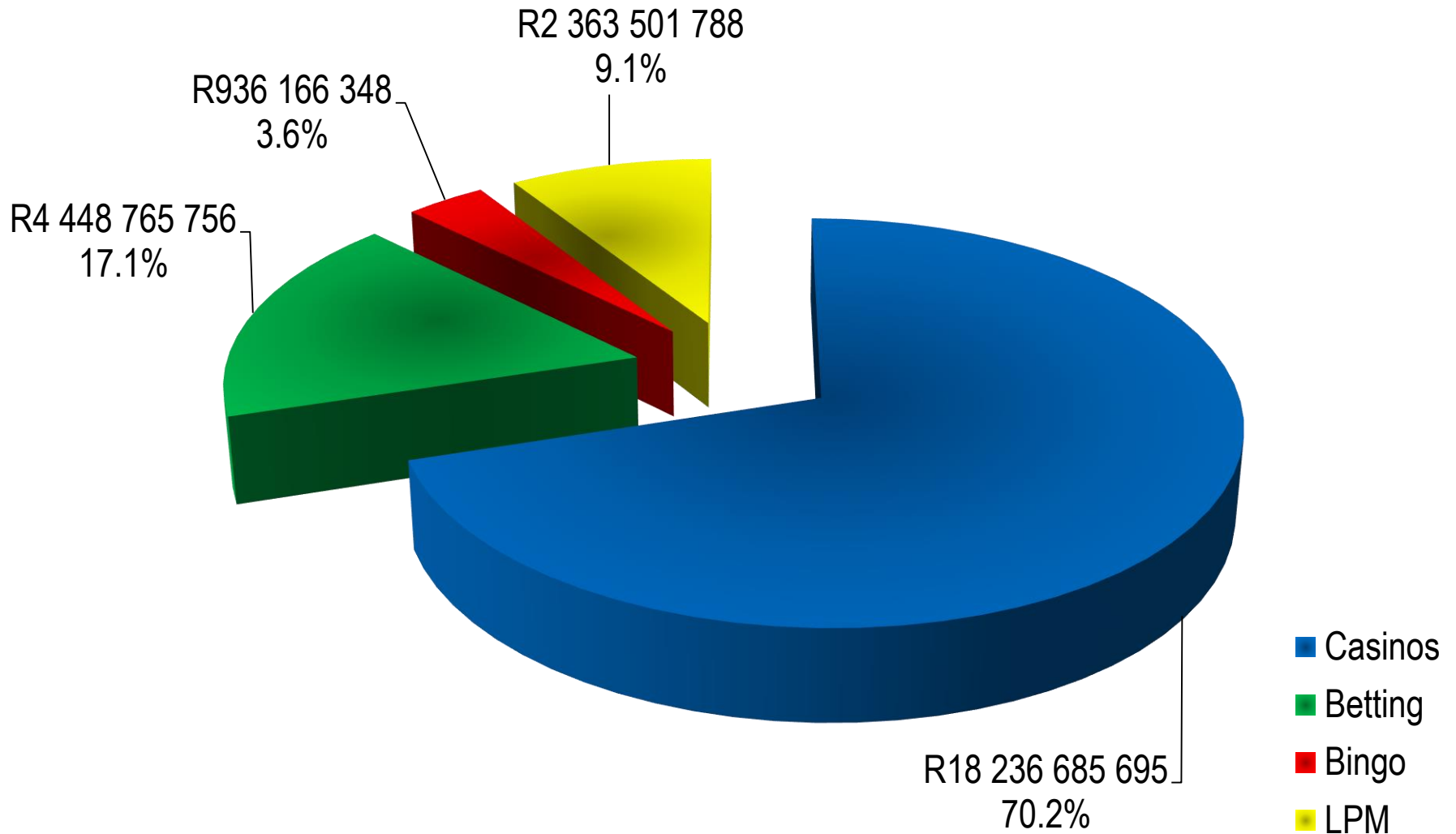


Summary : Turnover

- ❑ A total amount of R 358 359 106 940 was wagered in FY16 (Quarters 1, 2, 3 & 4).
- ❑ Casinos accounted for the highest TO at 77.1% by comparison with all other gambling modes.
- ❑ Gauteng accounted for the highest amount of TO in respect of all gambling modes, the total percentage being 45.9% as compared to other provinces.
- ❑ Although Gauteng represented the highest amount of turnover relative to casinos (45.8%), betting on horse racing and sport (61.4%), and bingo (64.4%), the highest amount of money in the LPM sector was wagered in Western Cape (30.9%).

GGR per gambling mode – FY2016, Qrt 1, 2, 3 & 4

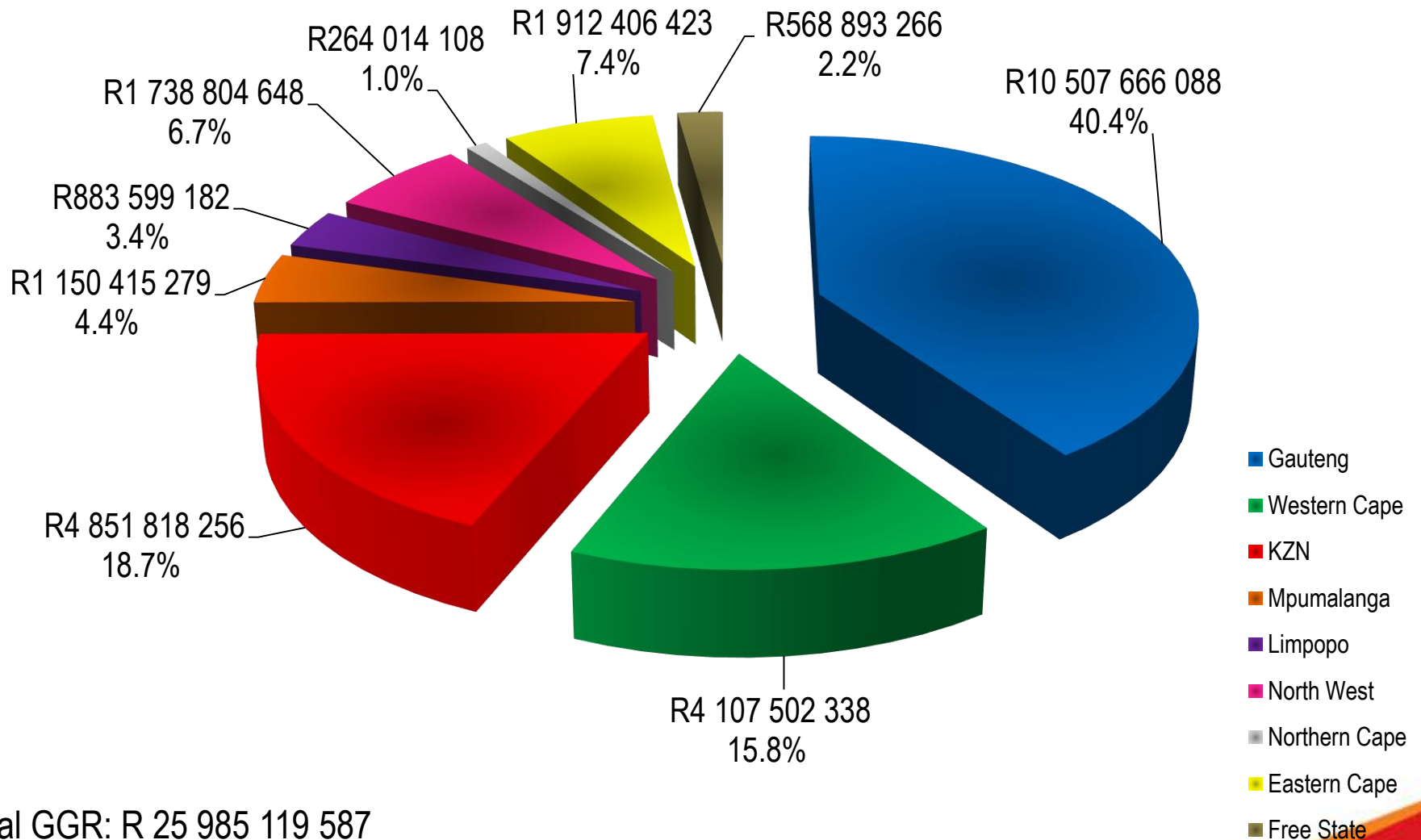
Rand value of the gross revenue of an operator



Total GGR: R 25 985 119 587

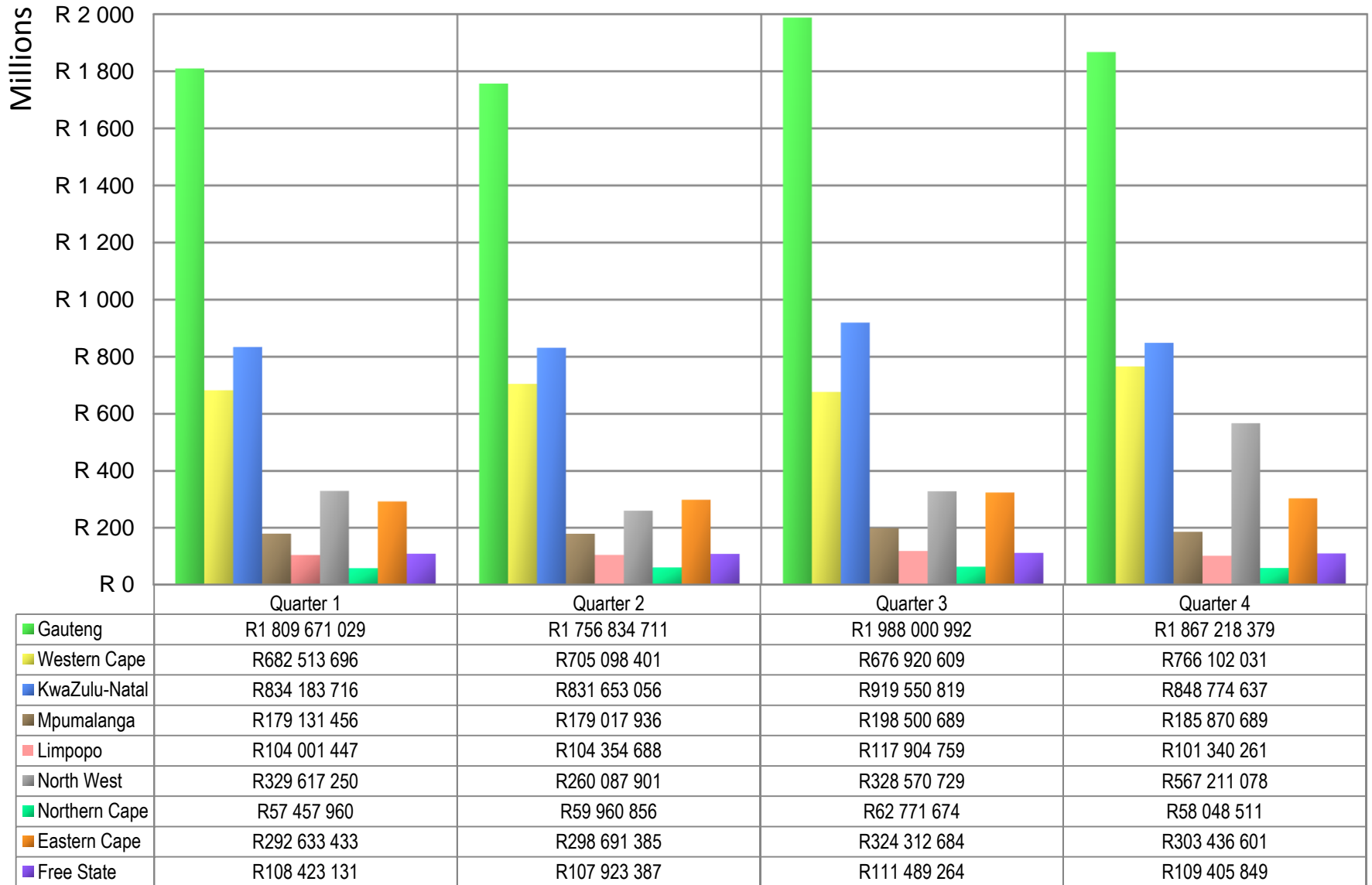
GGR per province - FY2016, Qrt 1, 2, 3 & 4

Rand value of the gross revenue of an operator



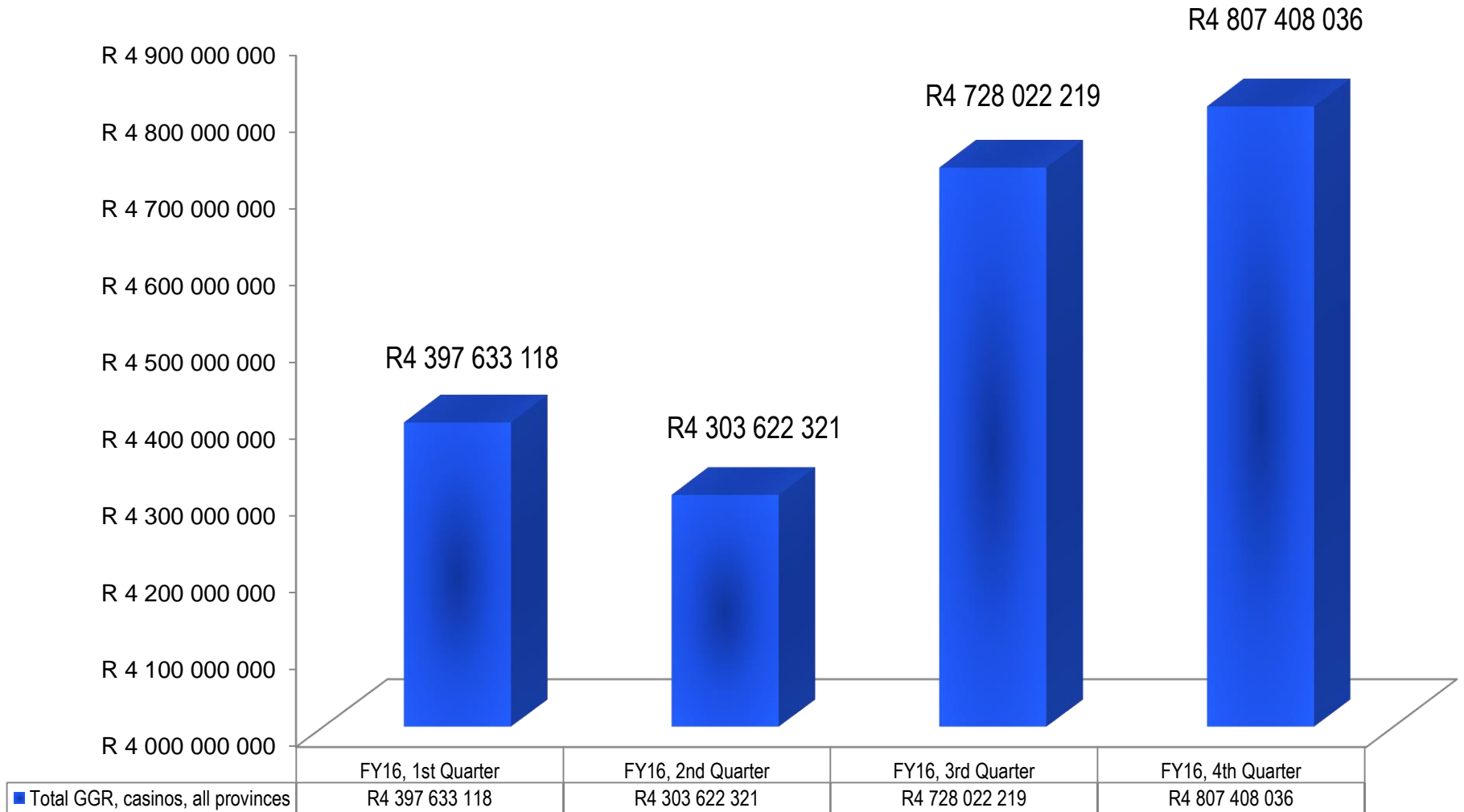
Quarterly casino GGR - FY2016, Qrt 1, 2, 3 & 4

Rand value of the gross revenue of an operator



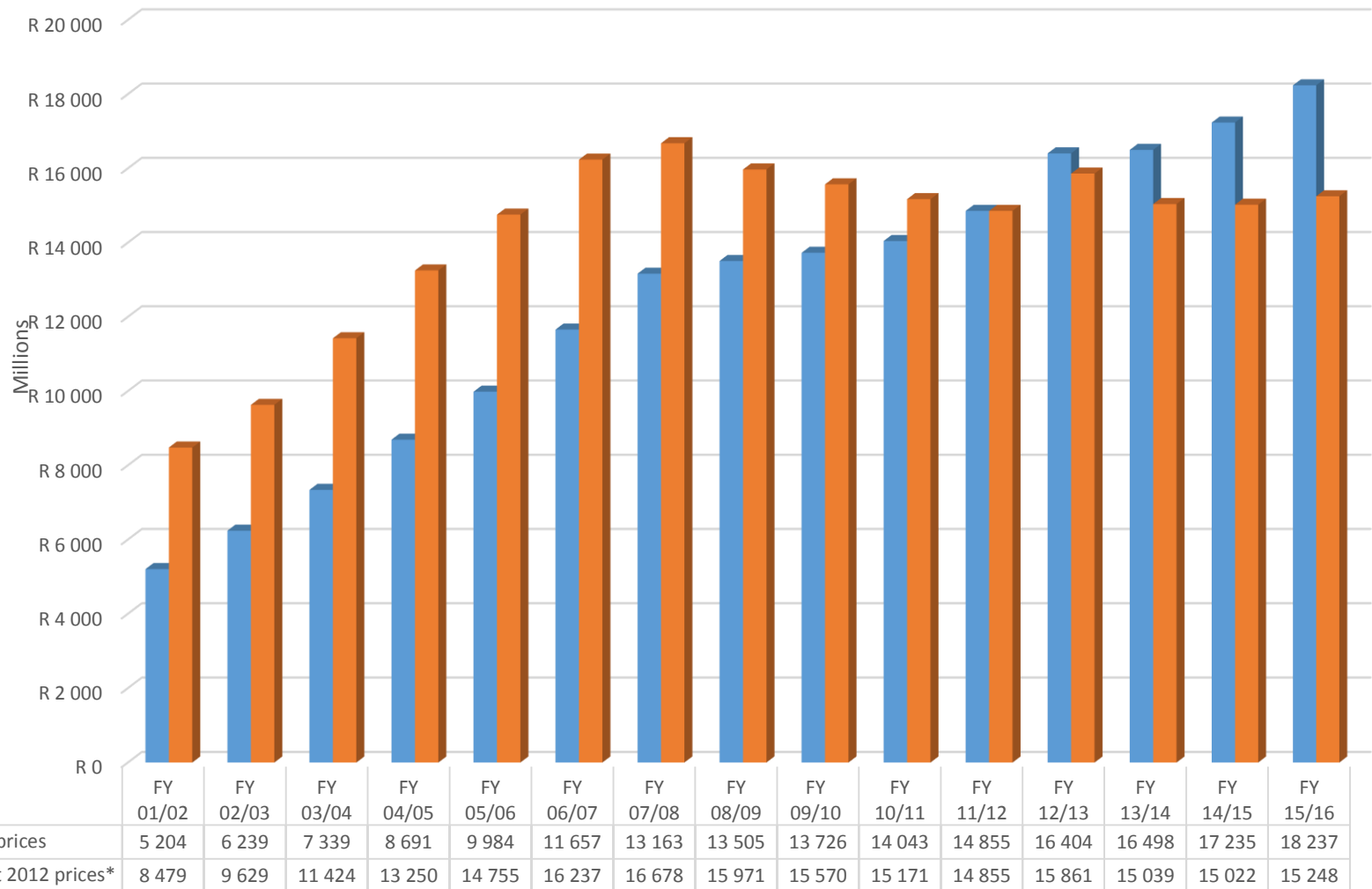
Trend in GGR casinos – FY16, Qrt 1, 2, 3 & 4

Rand value of the gross revenue of an operator



Trend in GGR casinos – FY2001/02 to FY2015/16

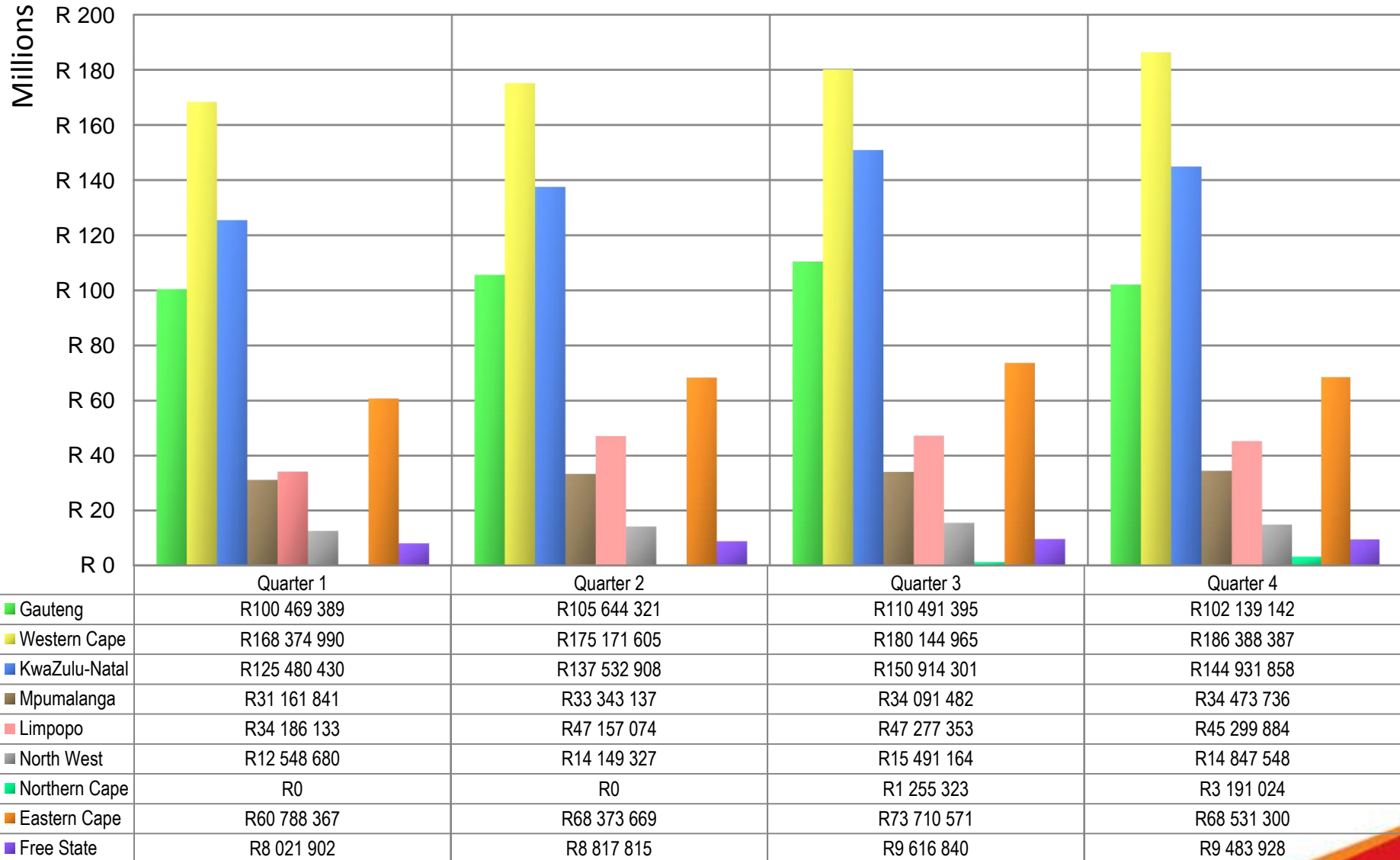
Rand value of the gross revenue of an operator



2012 constant prices, Reserve Bank

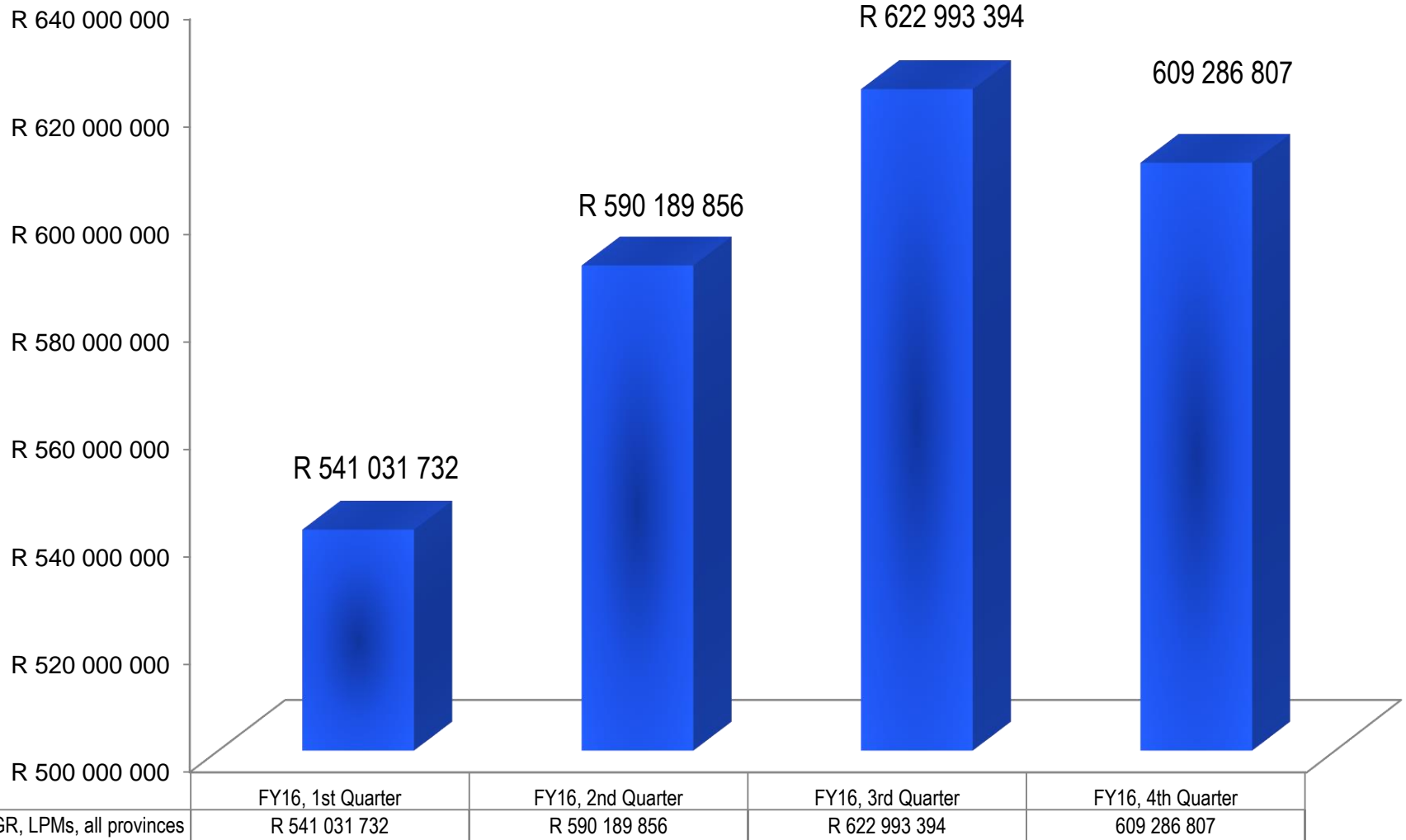
Quarterly LPM GGR - FY2016, Qrt 1, 2, 3 & 4

Rand value of the gross revenue of an operator



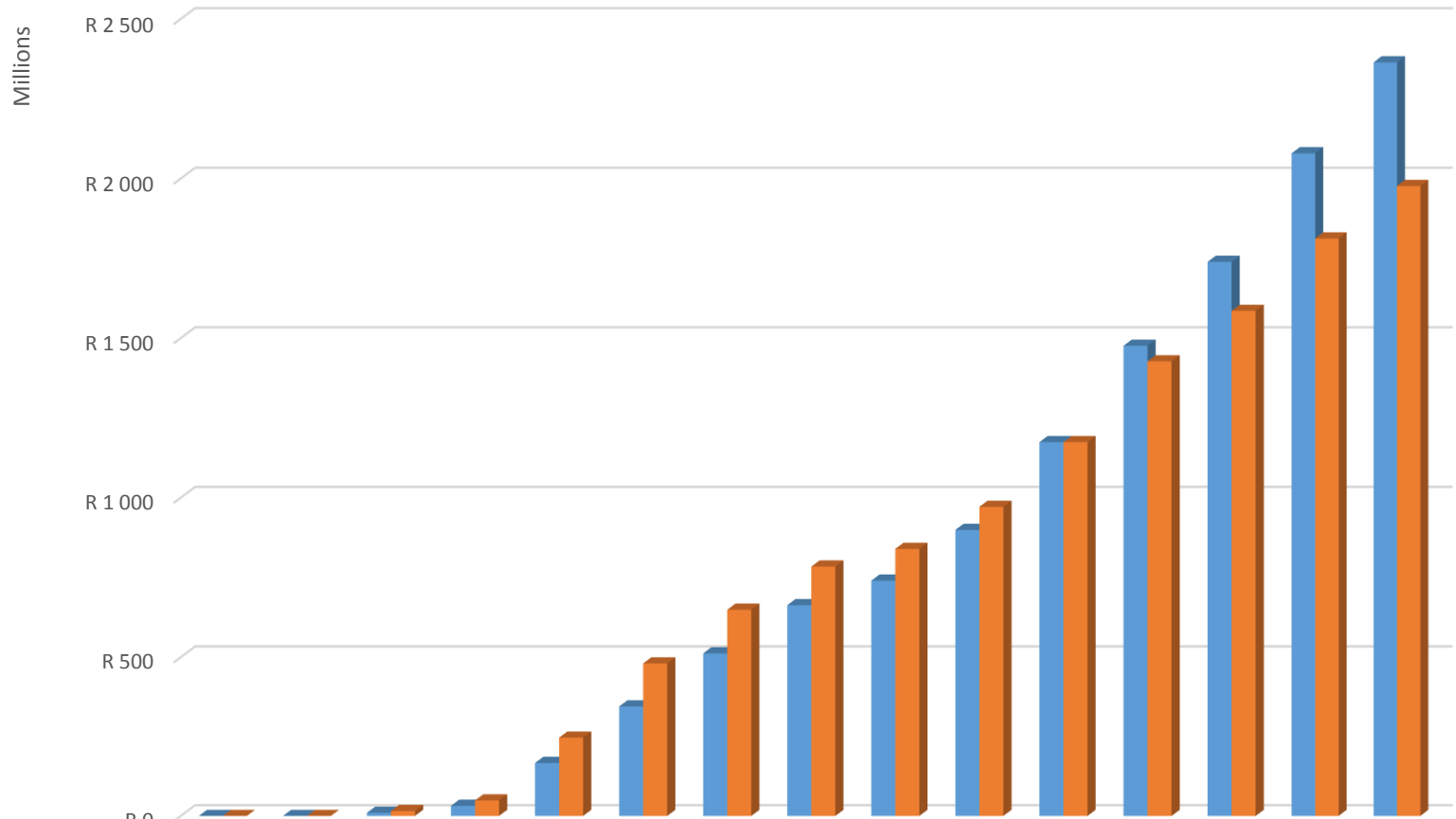
Trend in GGR LPMs – FY2016, Qrt 1, 2, 3 & 4

Rand value of the gross revenue of an operator



Trend in GGR LPMs – FY2001/02 to FY2015/16

Rand value of the gross revenue of an operator

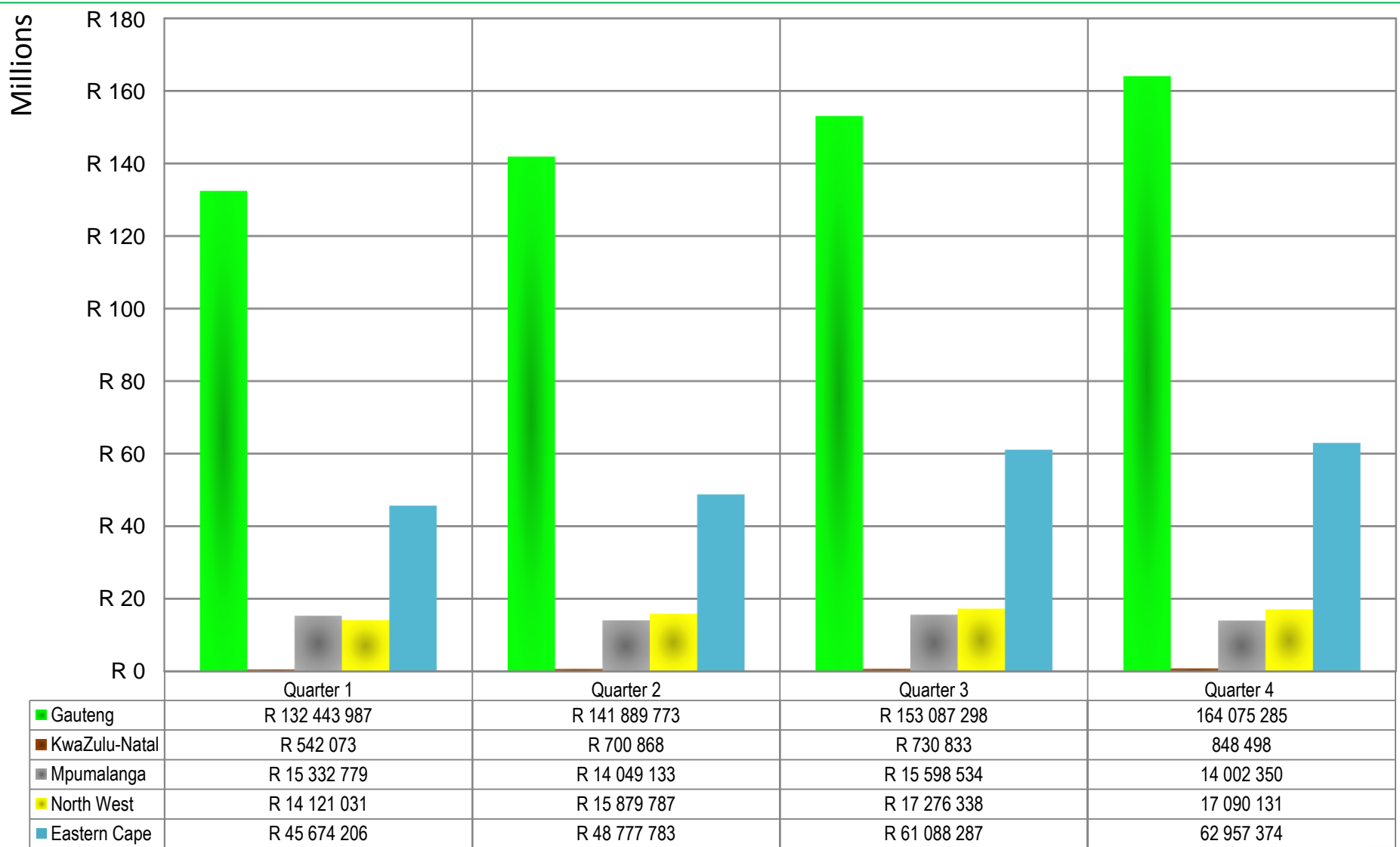


| | FY 01/02 | FY 02/03 | FY 03/04 | FY 04/05 | FY 05/06 | FY 06/07 | FY 07/08 | FY 08/09 | FY 09/10 | FY 10/11 | FY 11/12 | FY 12/13 | FY 13/14 | FY 14/15 | FY 15/16 |
|----------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| ■ At current prices | 0 | 0 | 10 | 32 | 167 | 345 | 512 | 663 | 740 | 899 | 1 174 | 1 476 | 1 739 | 2 079 | 2 364 |
| ■ At constant 2012 prices* | 0 | 0 | 16 | 49 | 247 | 481 | 649 | 784 | 839 | 971 | 1 174 | 1 427 | 1 585 | 1 812 | 1 977 |

2012 constant prices, Reserve Bank

Quarterly bingo GGR - FY2016, Qrt 1, 2, 3 & 4*

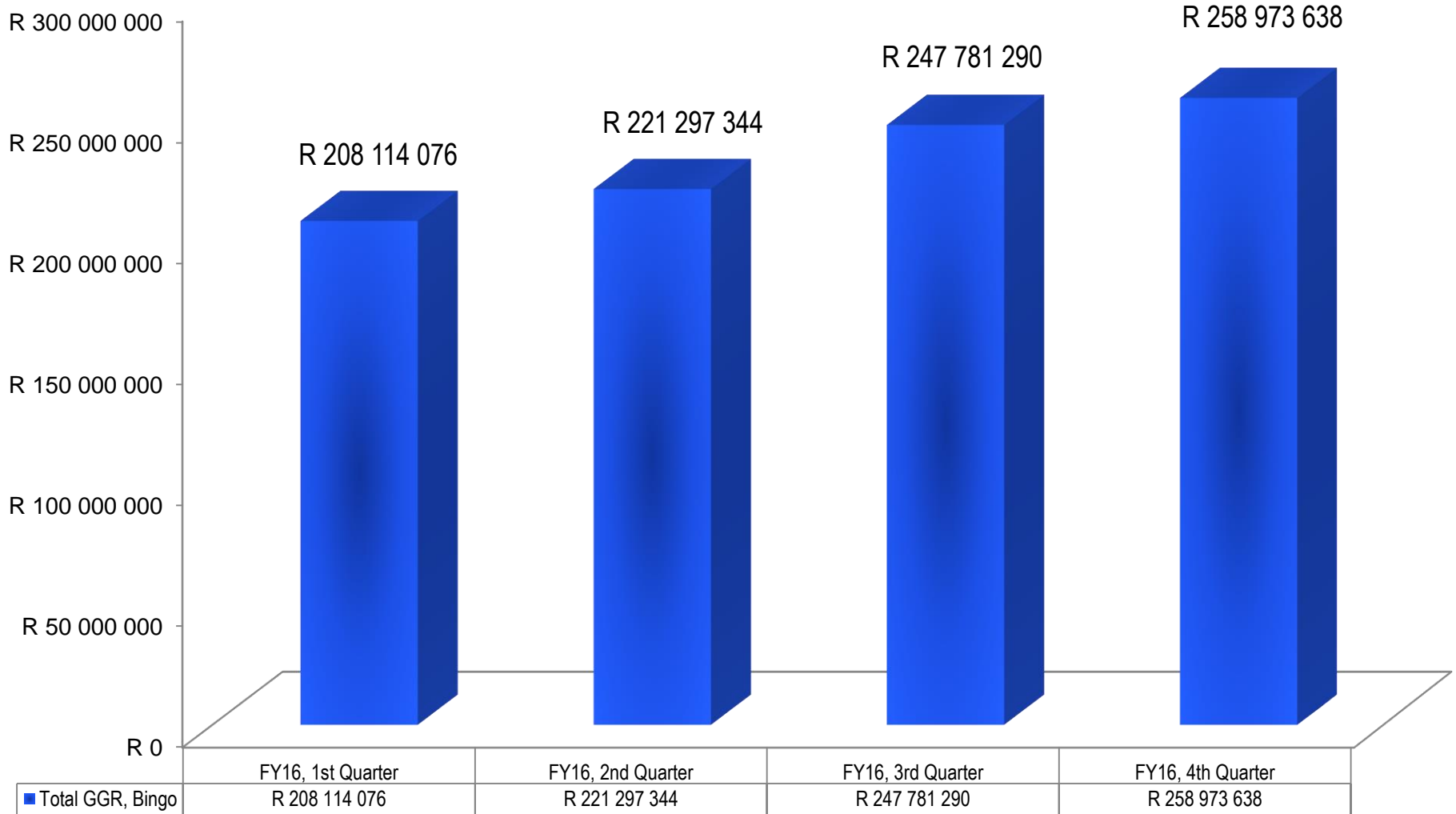
Rand value of the gross revenue of an operator



- Bingo offered for play in Gauteng, Mpumalanga, North West, KwaZulu-Natal and Eastern Cape only
- KZN statistics too low to be visible in graph

Trend in GGR Bingo – FY2016, Qrt 1, 2, 3 & 4*

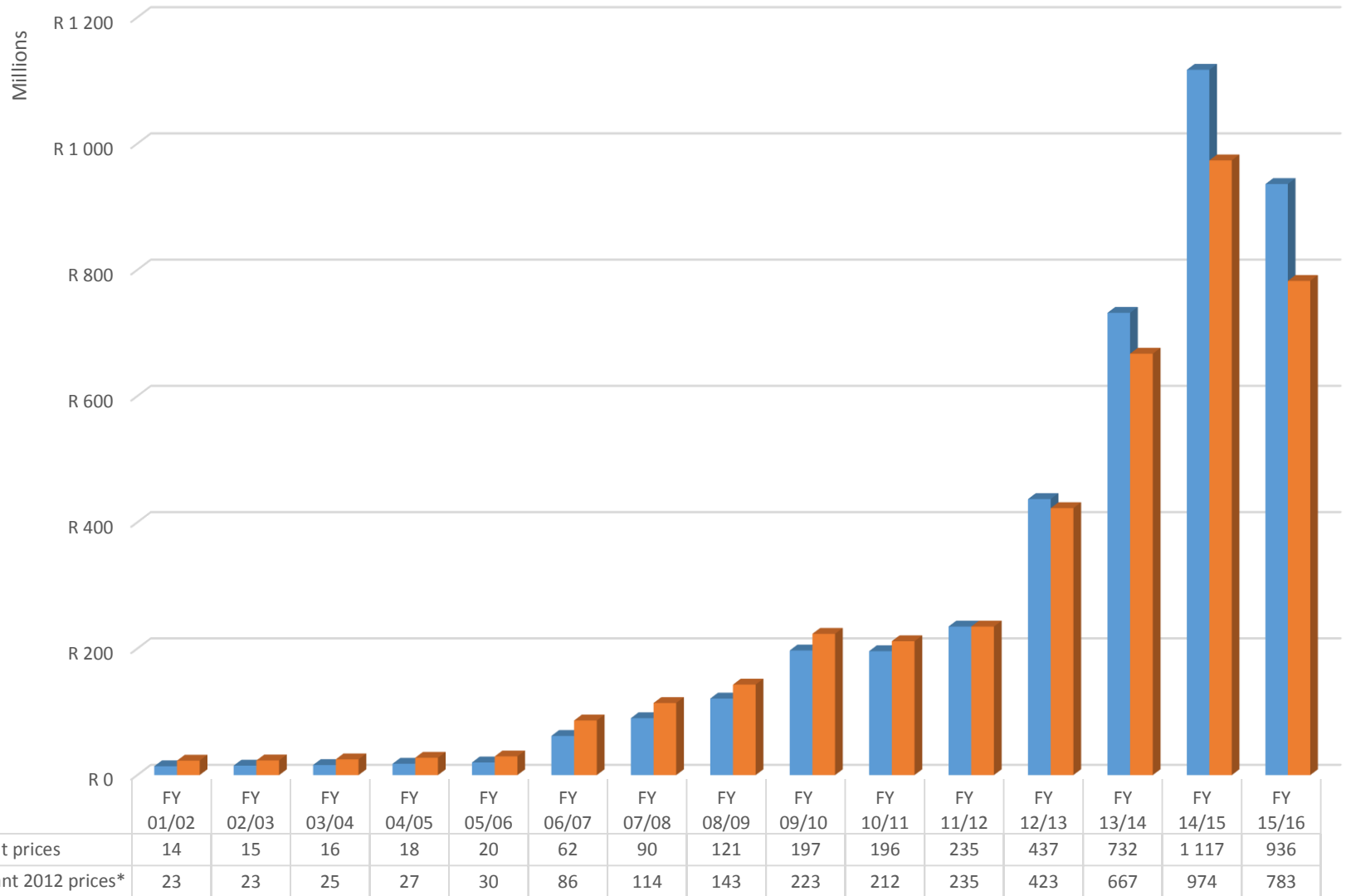
Rand value of the gross revenue of an operator



* Bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only

Trend in GGR bingo – FY2001/02 to FY2015/16

Rand value of the gross revenue of an operator



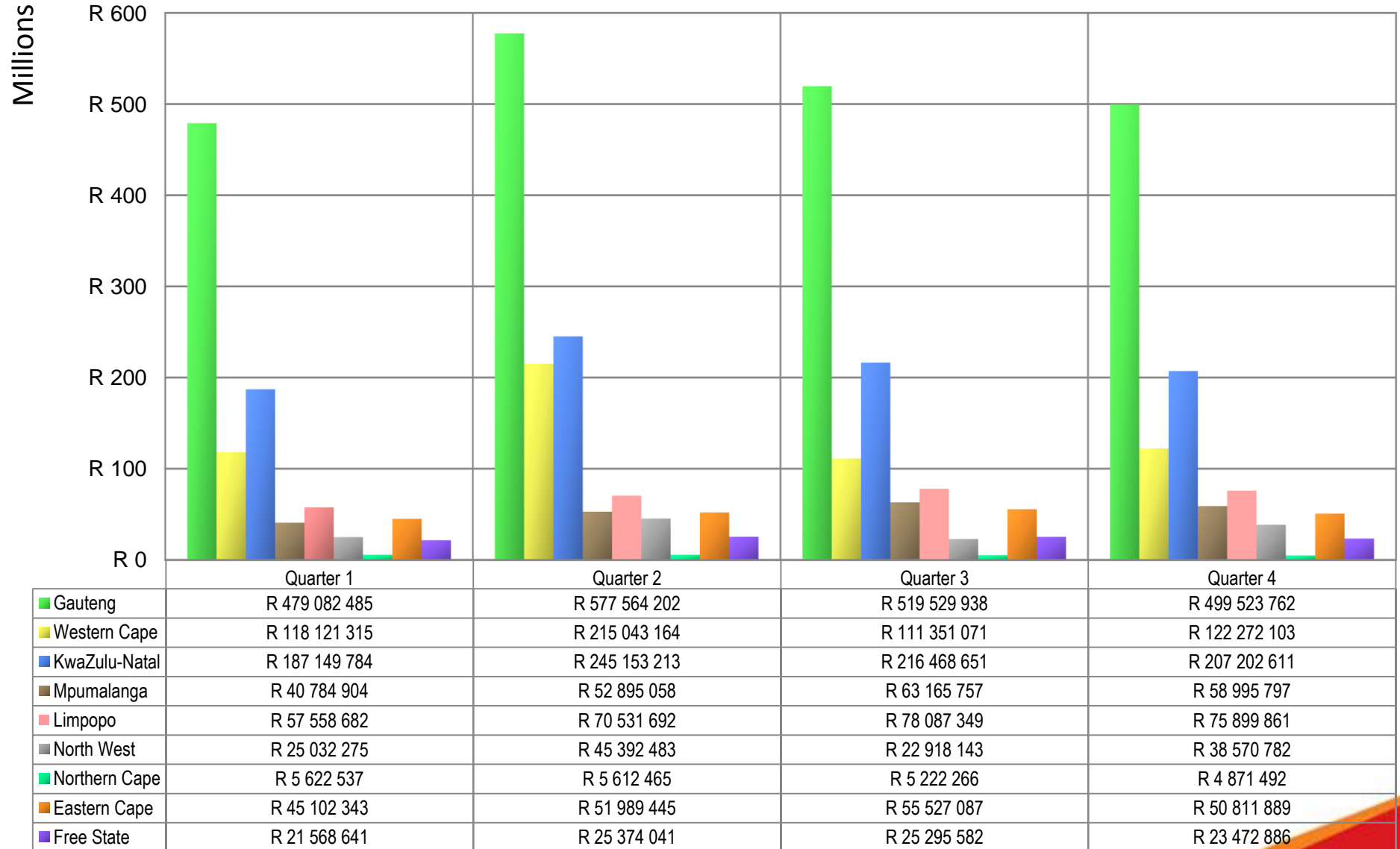
2012 constant prices, Reserve Bank

* Bingo statistics represents bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only

Quarterly betting GGR – FY2016, Qrt 1, 2, 3 & 4

Bookmakers & Totalisators

Rand value of the gross revenue of an operator

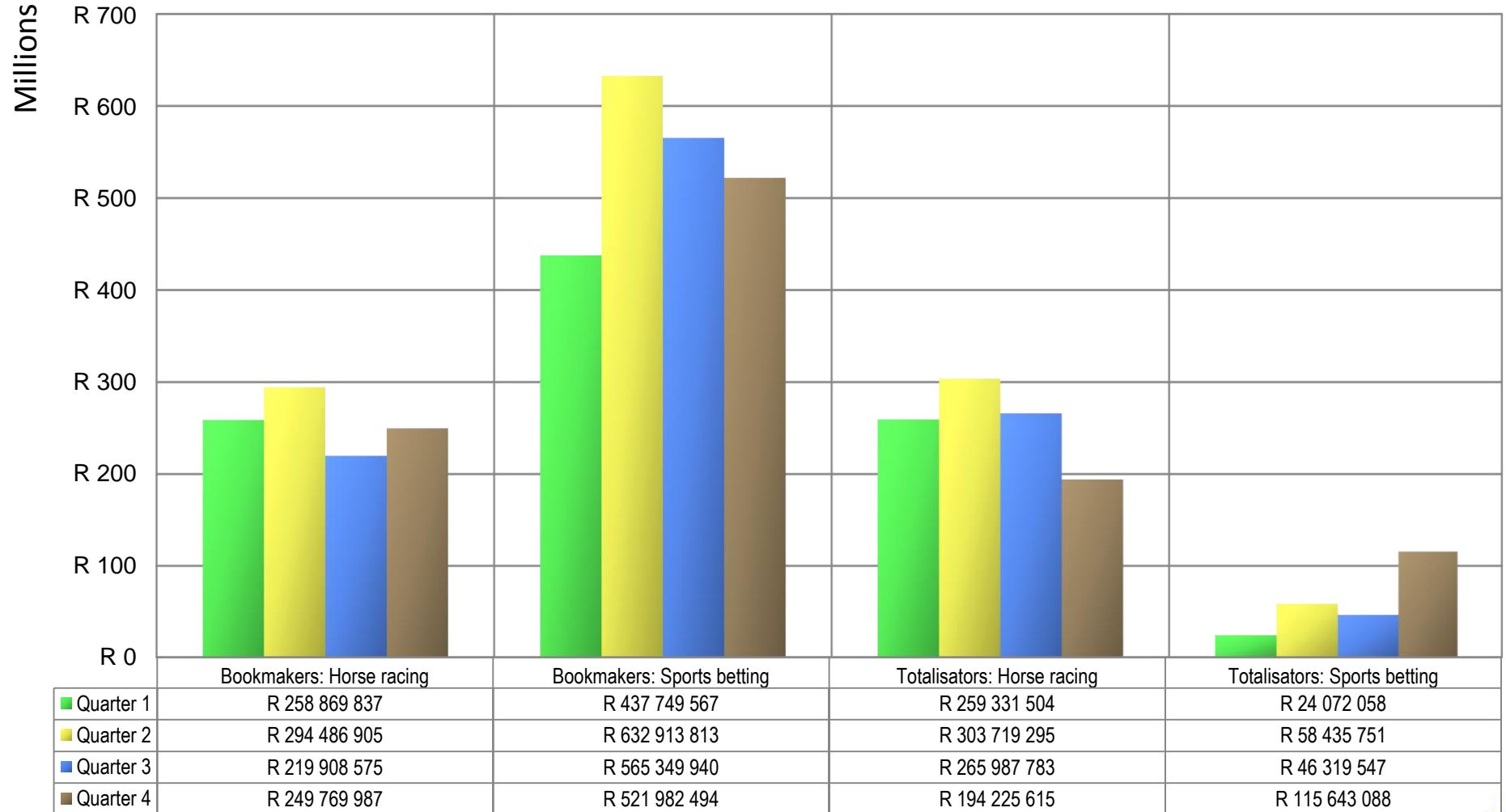


Quarterly betting GGR – FY2016, Qrt 1, 2, 3 & 4

Split between Bookmakers & Totalisators

Betting on horse racing & sport

Rand value of the gross revenue of an operator

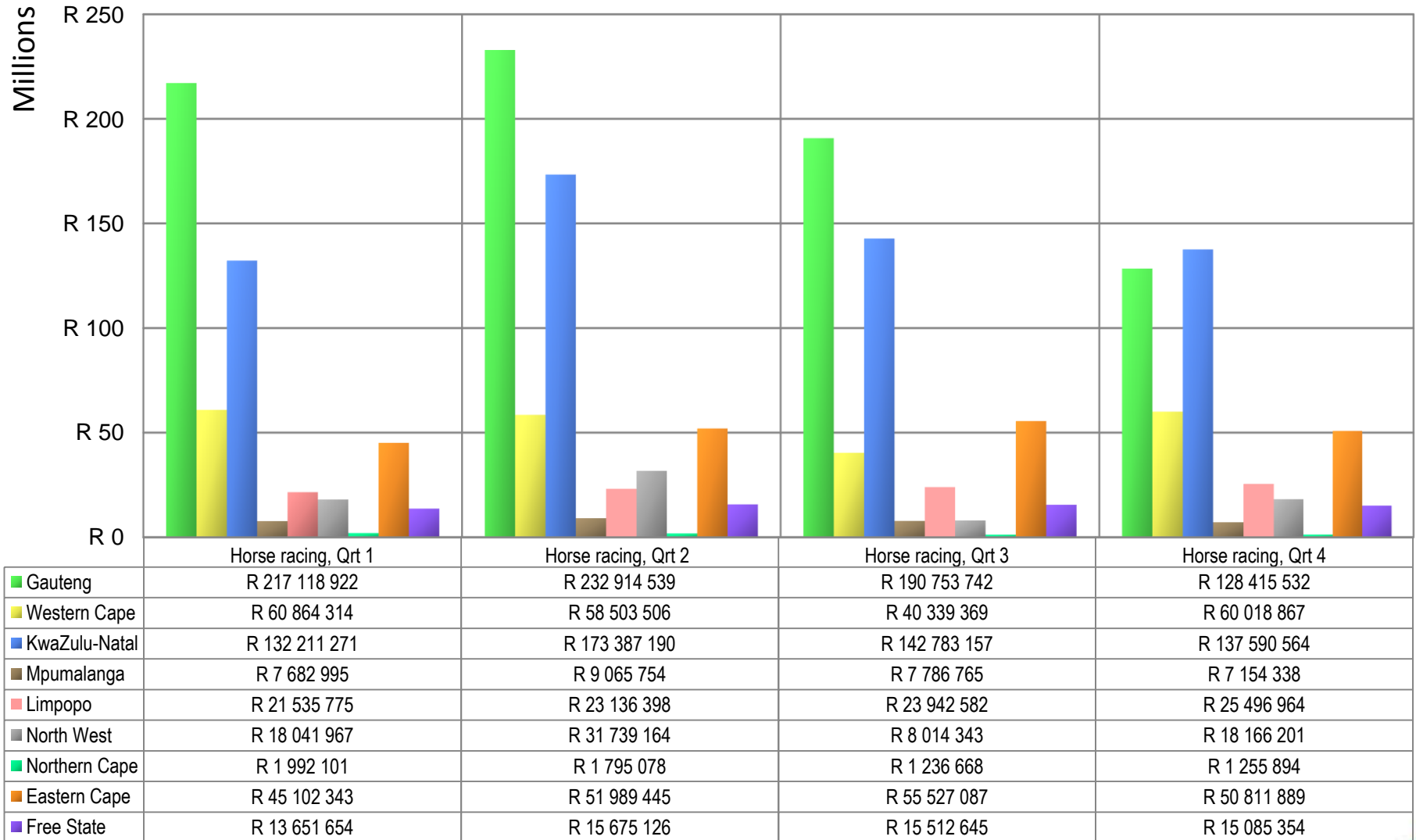


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting GGR – FY2016, Qrt 1, 2, 3 & 4

Betting on horse racing*

Rand value of the gross revenue by an operator

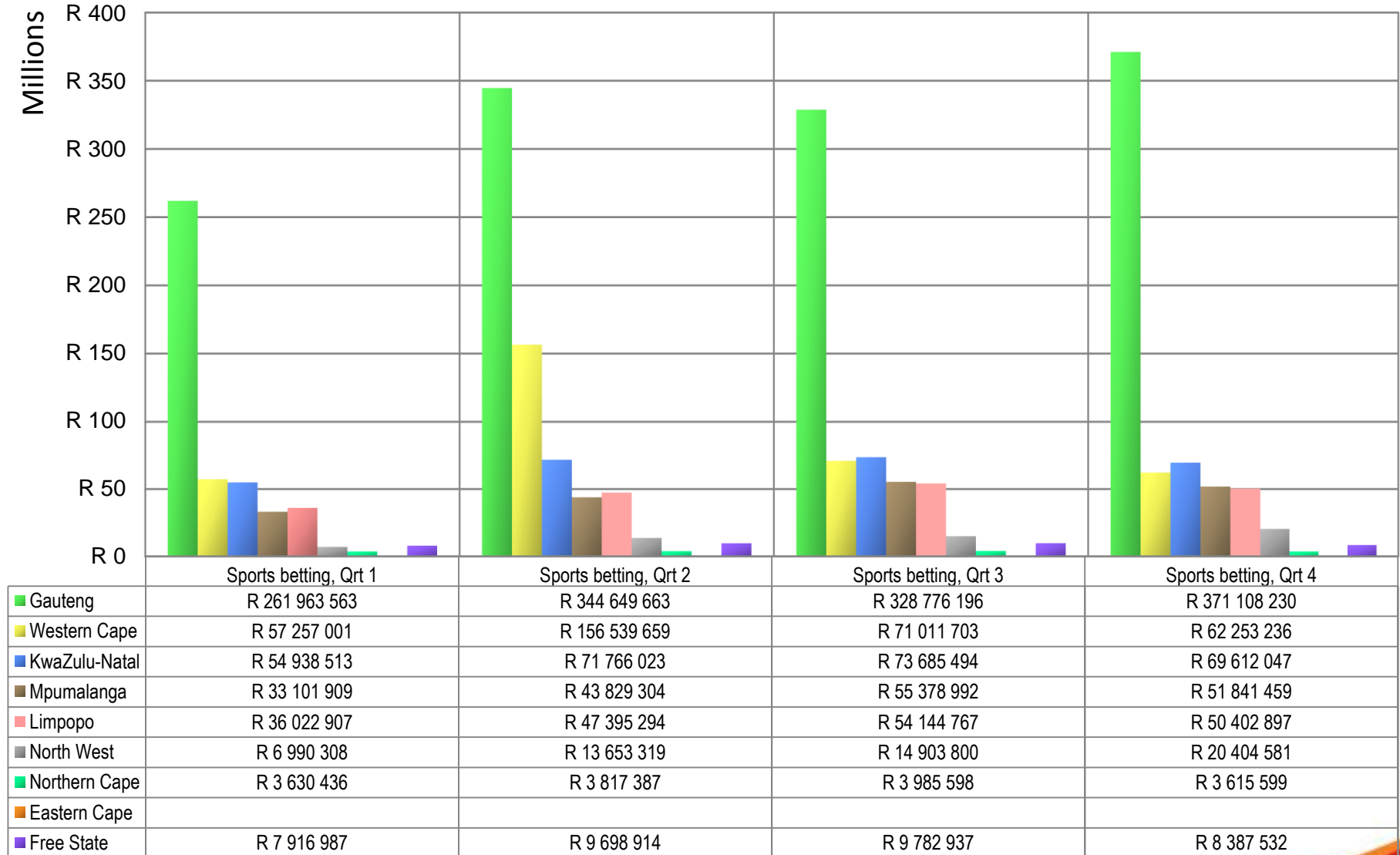


* Eastern Cape: Statistics includes sports betting

Quarterly betting GGR – FY2016, Qrt 1, 2, 3 & 4

Betting on sport*

Rand value of the gross revenue by an operator

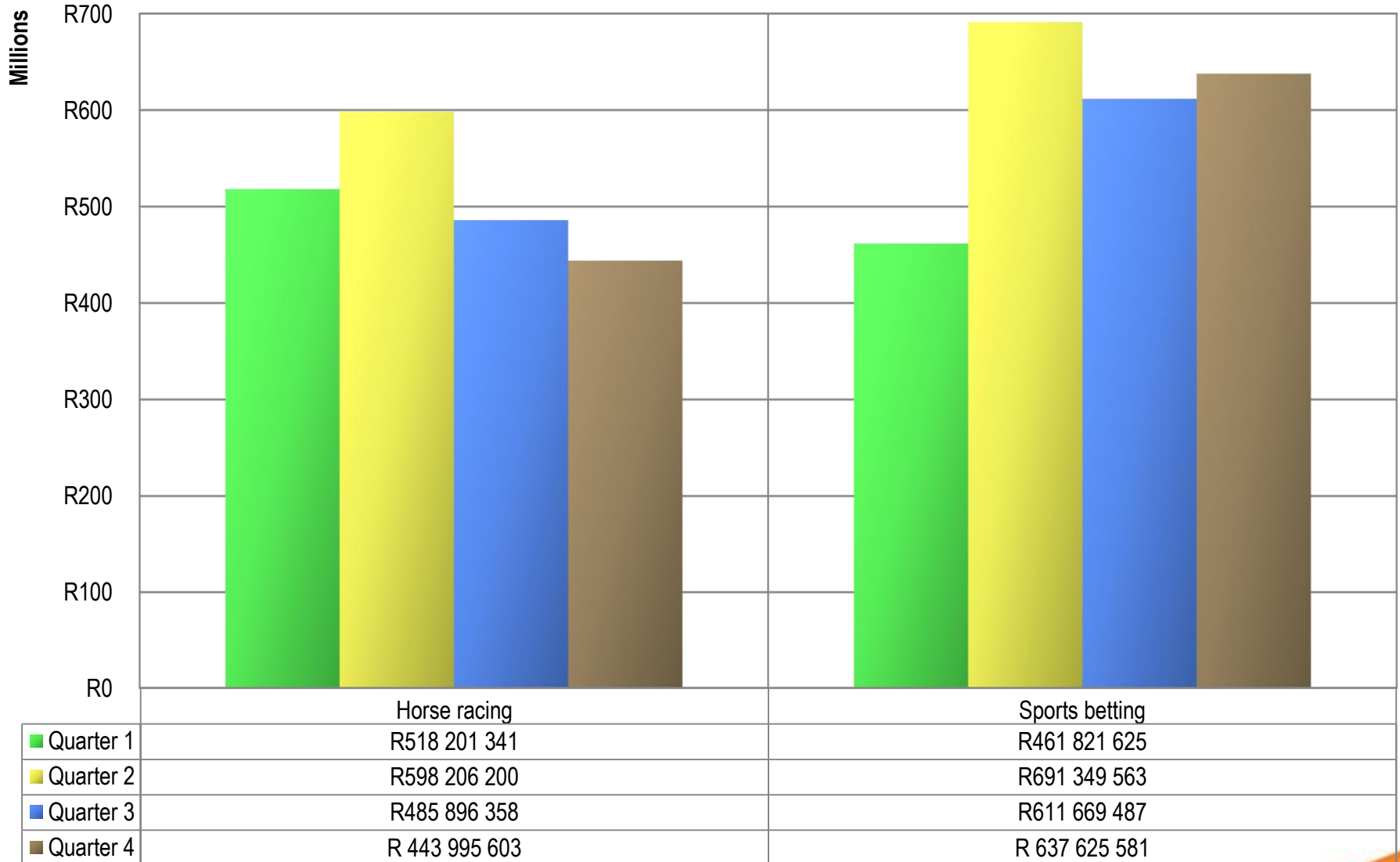


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting GGR – FY2016, Qrt 1, 2, 3 & 4

Split between betting on horse racing & sport*

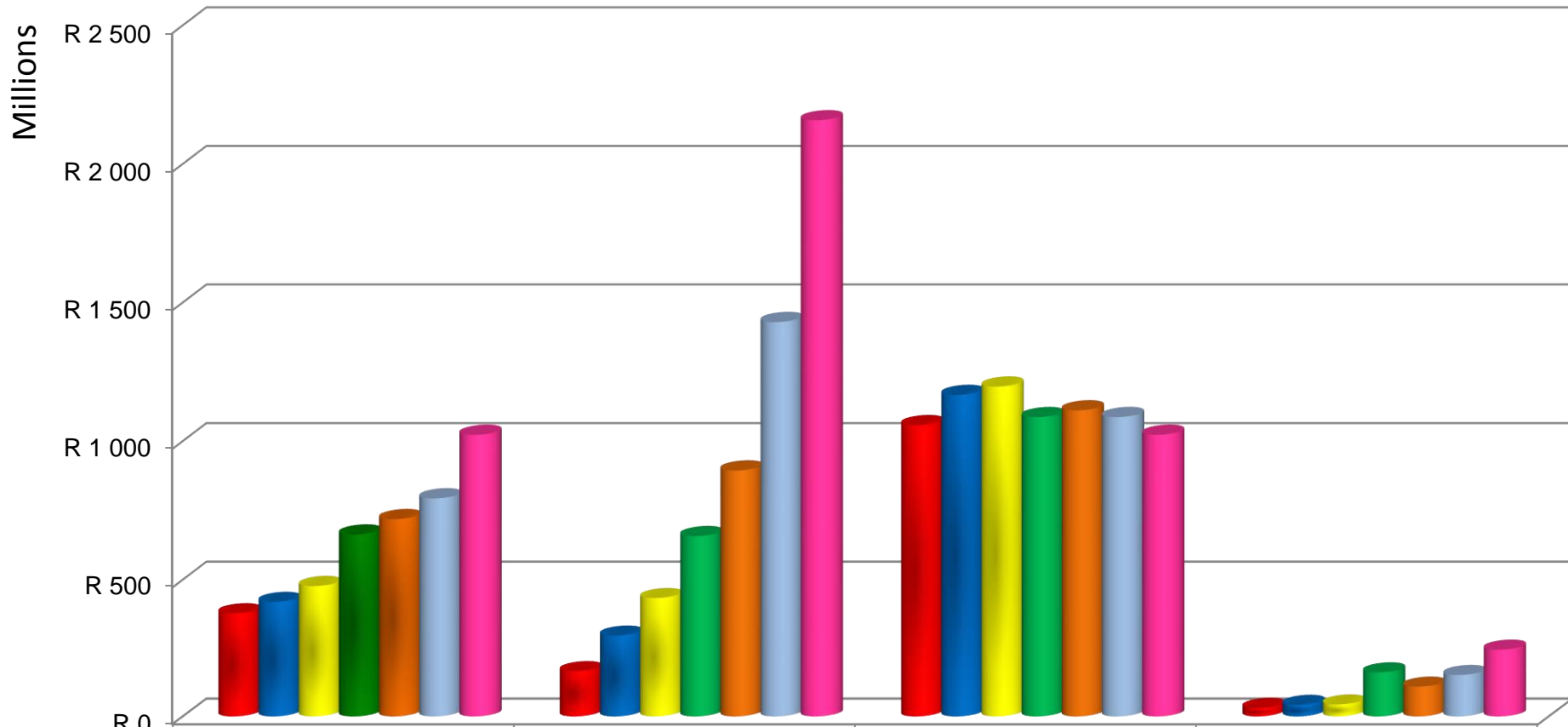
Rand value of the gross revenue by an operator



* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Trend in GGR, bookmakers & totalisators – FY2010 to FY2016

Rand value of the gross revenue by an operator

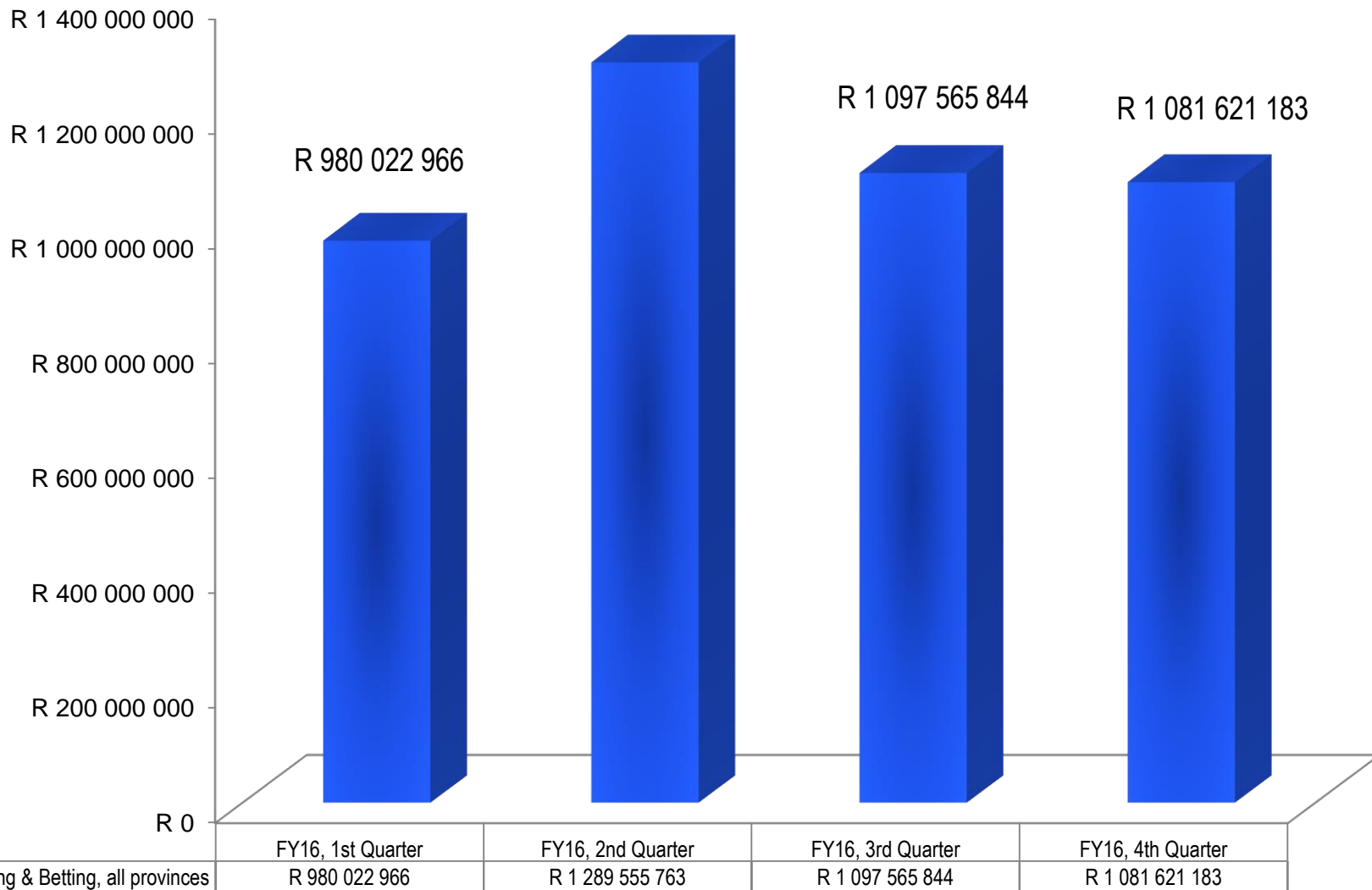


| | Bookmakers, Horse racing | Bookmakers, Sports betting | Totalisators, Horse racing | Totalisators, Sports betting |
|------|--------------------------|----------------------------|----------------------------|------------------------------|
| FY10 | R 377 957 987 | R 165 802 602 | R 1 058 082 653 | R 31 259 332 |
| FY11 | R 419 579 088 | R 295 931 592 | R 1 167 008 013 | R 42 418 390 |
| FY12 | R 477 583 160 | R 433 650 582 | R 1 197 266 316 | R 44 078 515 |
| FY13 | R 663 367 356 | R 657 721 132 | R 1 087 051 664 | R 161 294 882 |
| FY14 | R 718 915 378 | R 894 571 335 | R 1 111 365 062 | R 109 251 620 |
| FY15 | R 793 930 124 | R 1 430 026 112 | R 1 087 285 775 | R 151 752 708 |
| FY16 | R 1 023 035 305 | R 2 157 995 813 | R 1 023 264 197 | R 244 470 444 |

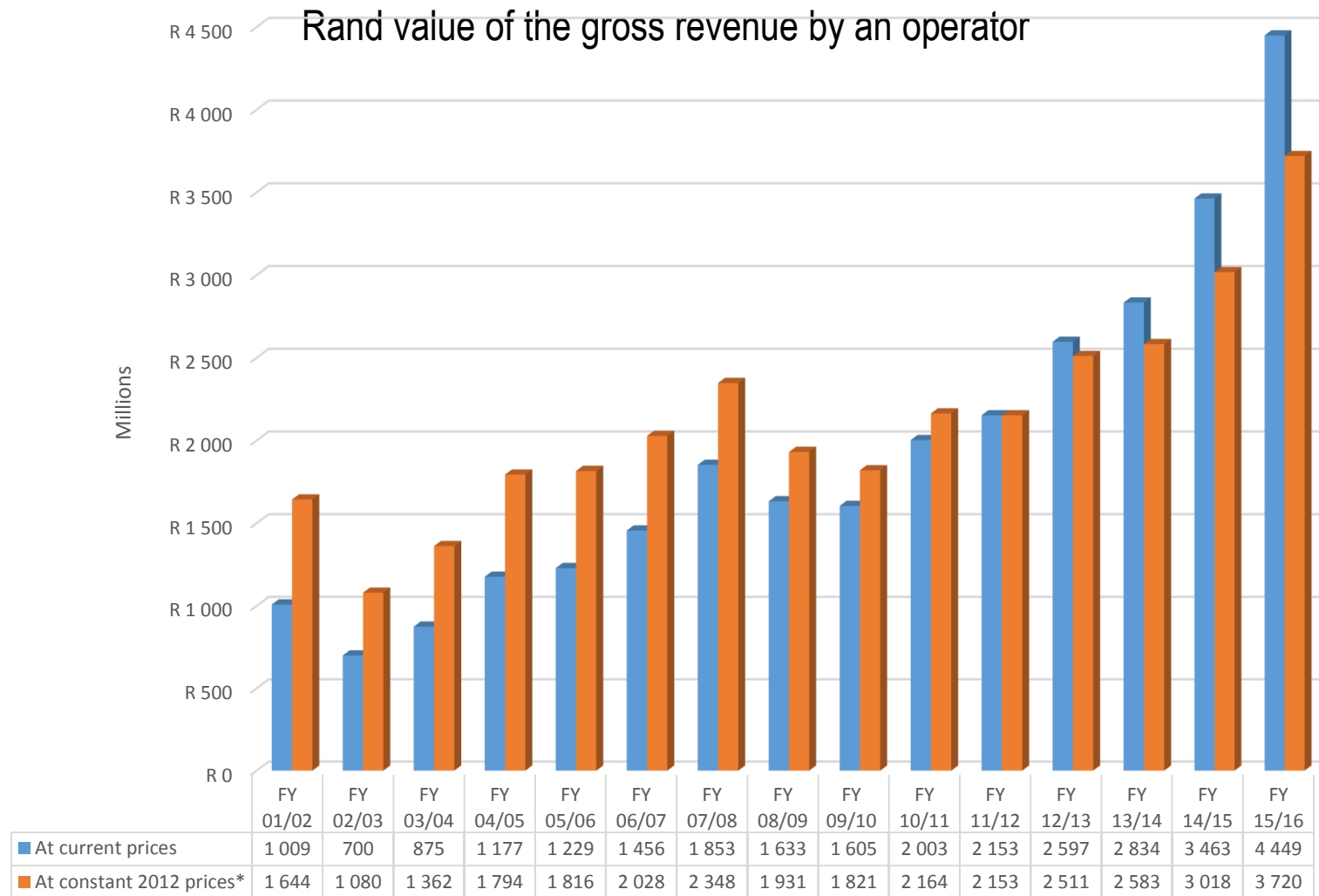
Trend in GGR betting on horse racing & sport – FY2016, Qrt 1, 2, 3 & 4

Rand value of the gross revenue of an operator

R 1 289 555 763



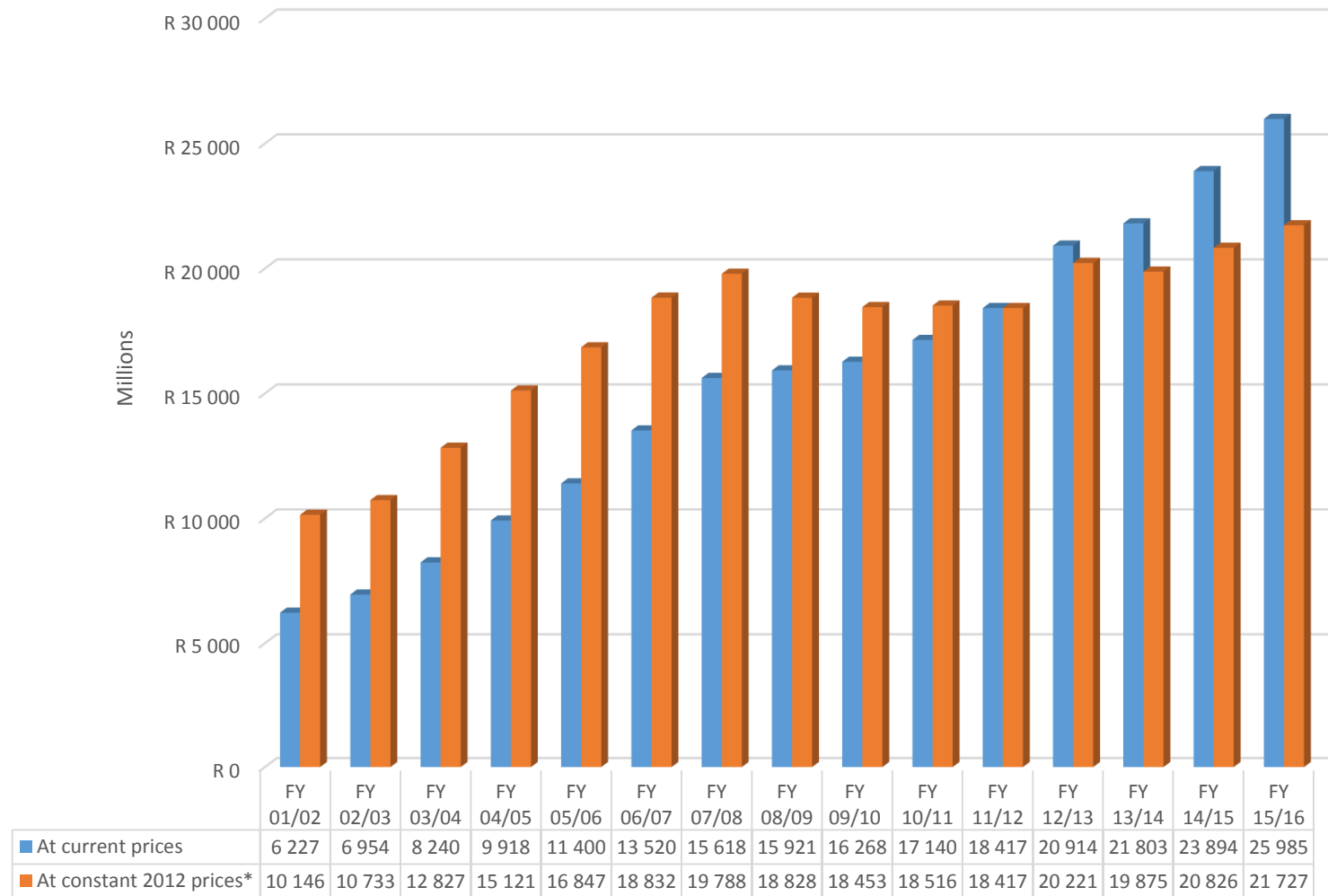
Trend in GGR betting on horse racing & sport – FY2001/02 to FY2015/16



2012 constant prices, Reserve Bank

Trend in GGR – FY2001/02 to FY2015/16 (all modes and provinces)

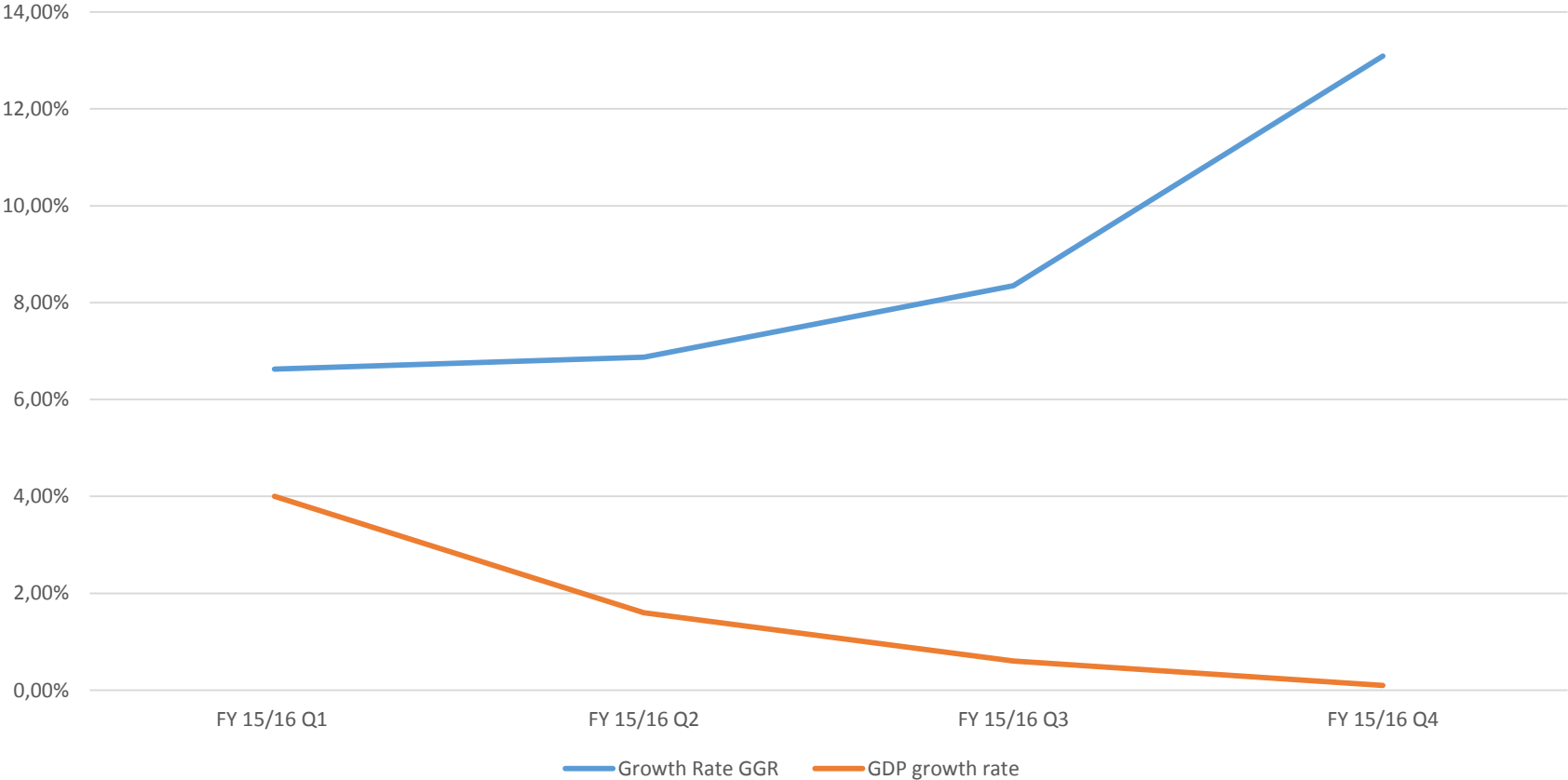
Rand value of the gross revenue by an operator



2012 constant prices, Reserve Bank

Growth rate of GGR and real GDP FY16 (all modes and provinces)

Chart Title



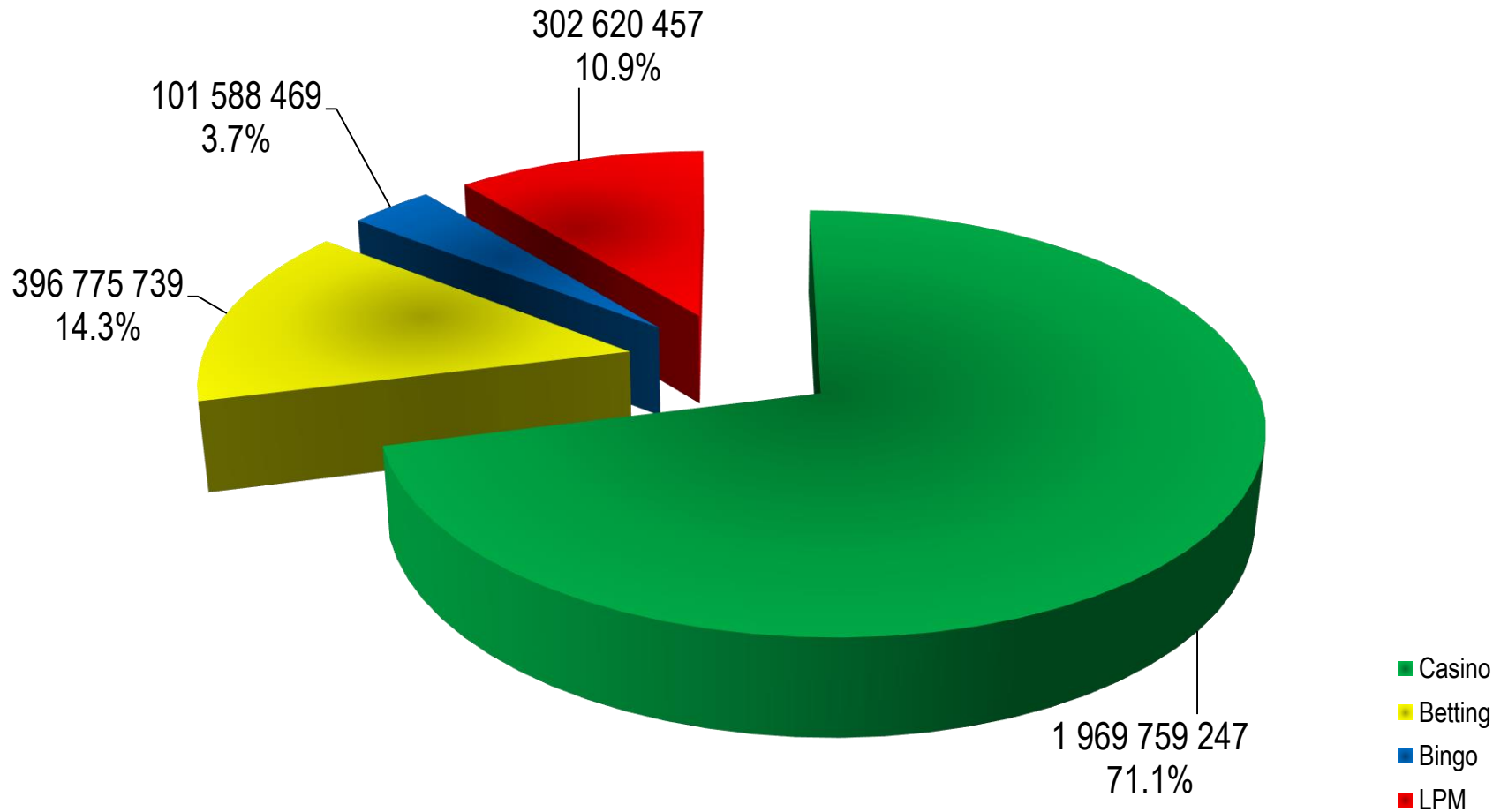
Summary : GGR

- ❑ GGR increased by 9.6% from R 21,8 billion in FY14 to R 23,9 billion in FY15, and by 8.8% to R26,0 billion in FY16. A total amount of R 25 985 119 587 referred to as GGR was generated during FY16, Quarters 1, 2, 3 & 4.
- ❑ In real terms however, the GGR increased by 4.8% in FY15 from slow negative growth in FY14 of -1.7%, and decreased by 4.3% in FY16.
- ❑ During FY16, as at 31 March 2016, casinos accounted for the highest GGR being 70.2% as compared to other gambling modes.
- ❑ Compared to all other provinces, Gauteng at a 40.4% share, accounted for the highest amount of GGR generated.
- ❑ Although Gauteng generated the highest amount of GGR relative to casinos (40.7%), betting on horse racing and sport (46.7%), and bingo (63.2%), the highest amount of GGR was generated in the LPM sector in Western Cape (30.0%).

Taxes/levies contribution per gambling mode – FY2016

Qrt 1, 2, 3 & 4

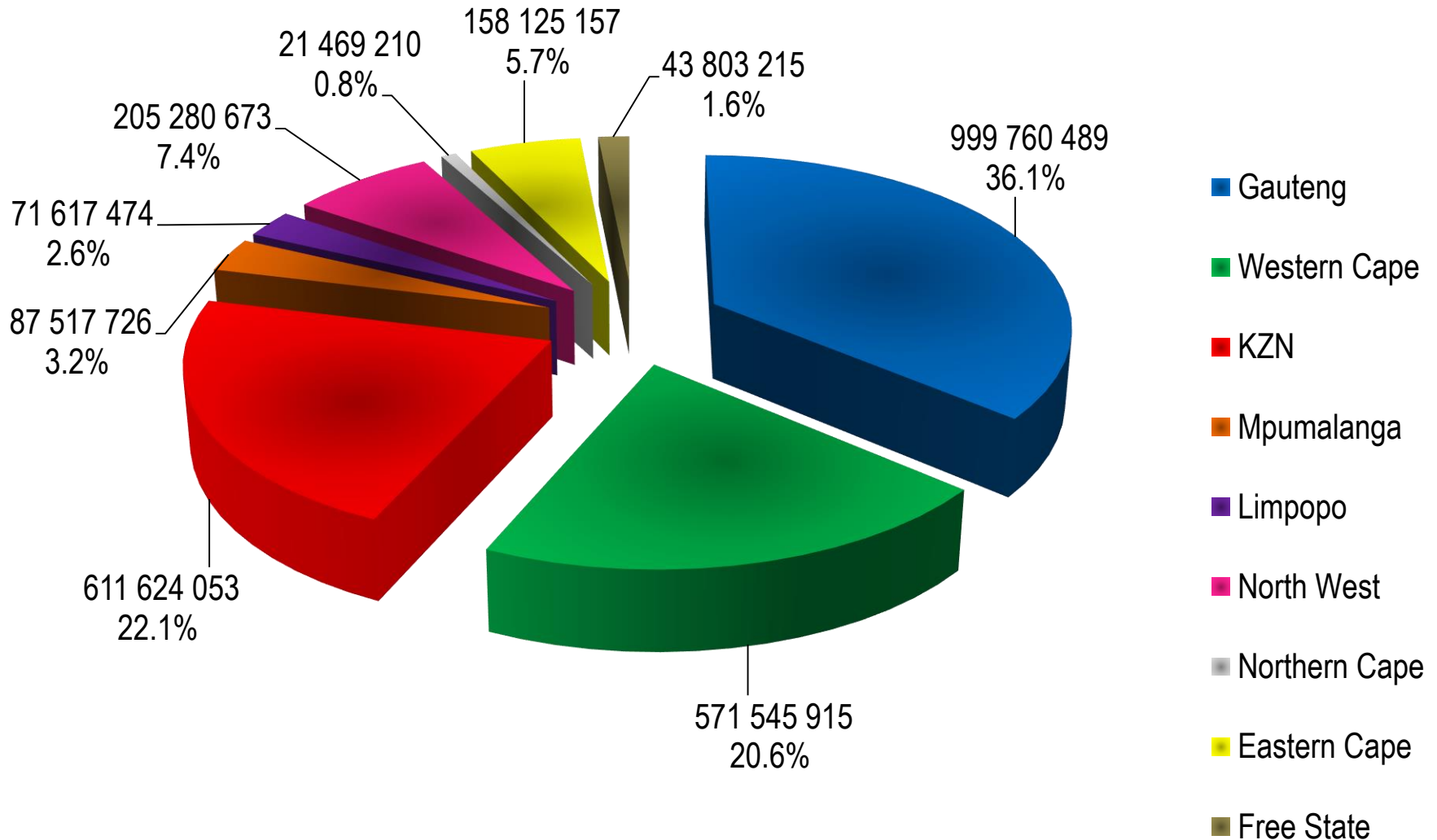
Gambling tax levied and collected by PLAs



Total taxes/levies: R 2 770 743 912

Taxes/levies contribution per province – FY2016, Qrt 1, 2, 3 & 4

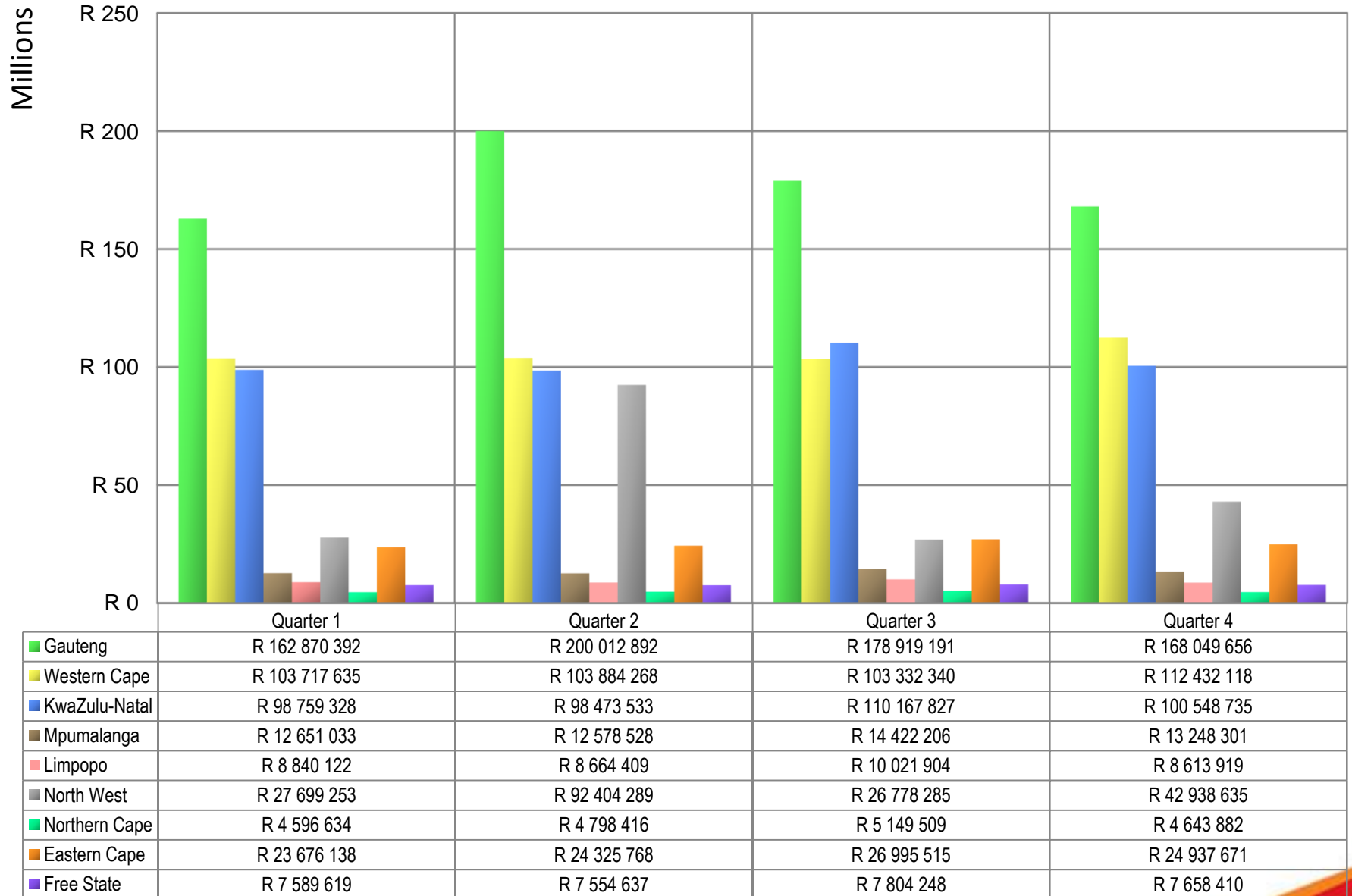
Gambling tax levied and collected by PLAs



Total taxes/levies: R 2 770 743 912

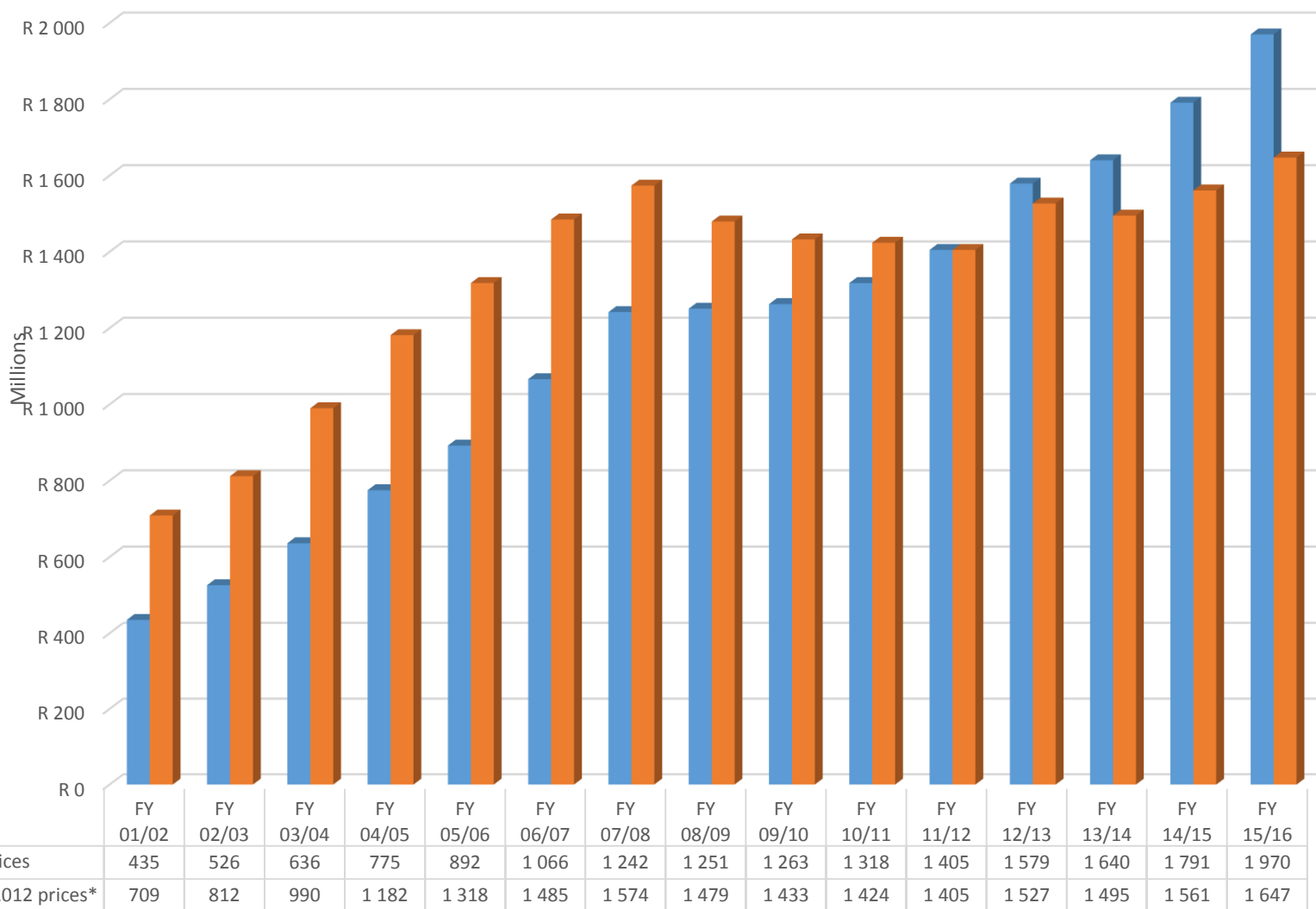
Quarterly casino taxes/levies - FY2016, Qrt 1, 2, 3 & 4

Gambling tax levied and collected by PLAs



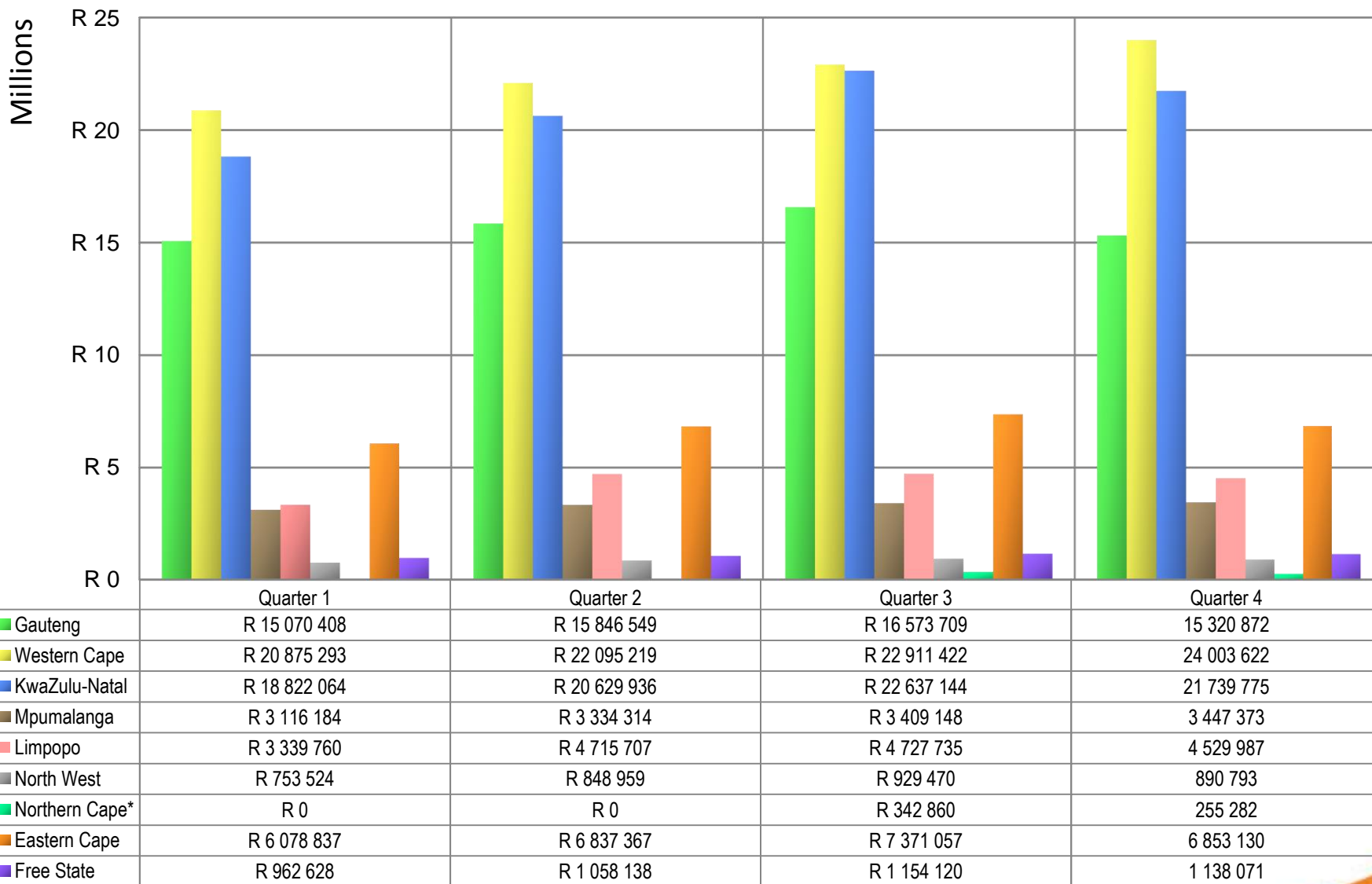
Trend in casino, taxes/levies – FY2001/02 to FY2015/16

Gambling tax levied and collected by PLAs



Quarterly LPM taxes/levies - FY2016, Qrt 1, 2, 3 & 4

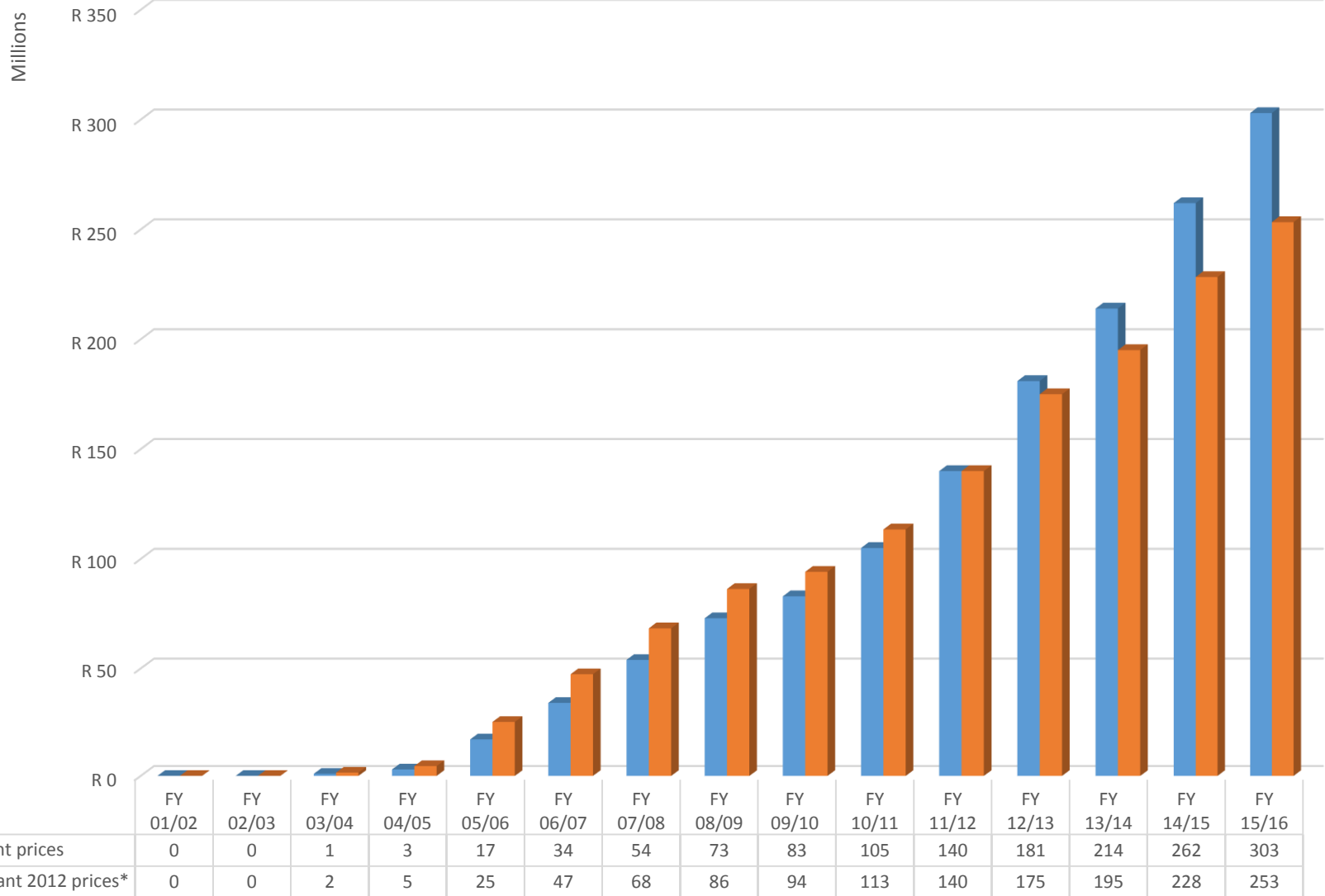
Gambling tax levied and collected by PLAs



* LPMs not yet rolled out in Northern Cape

Trend in LPM taxes/levies – FY2001/02 to FY2015/16

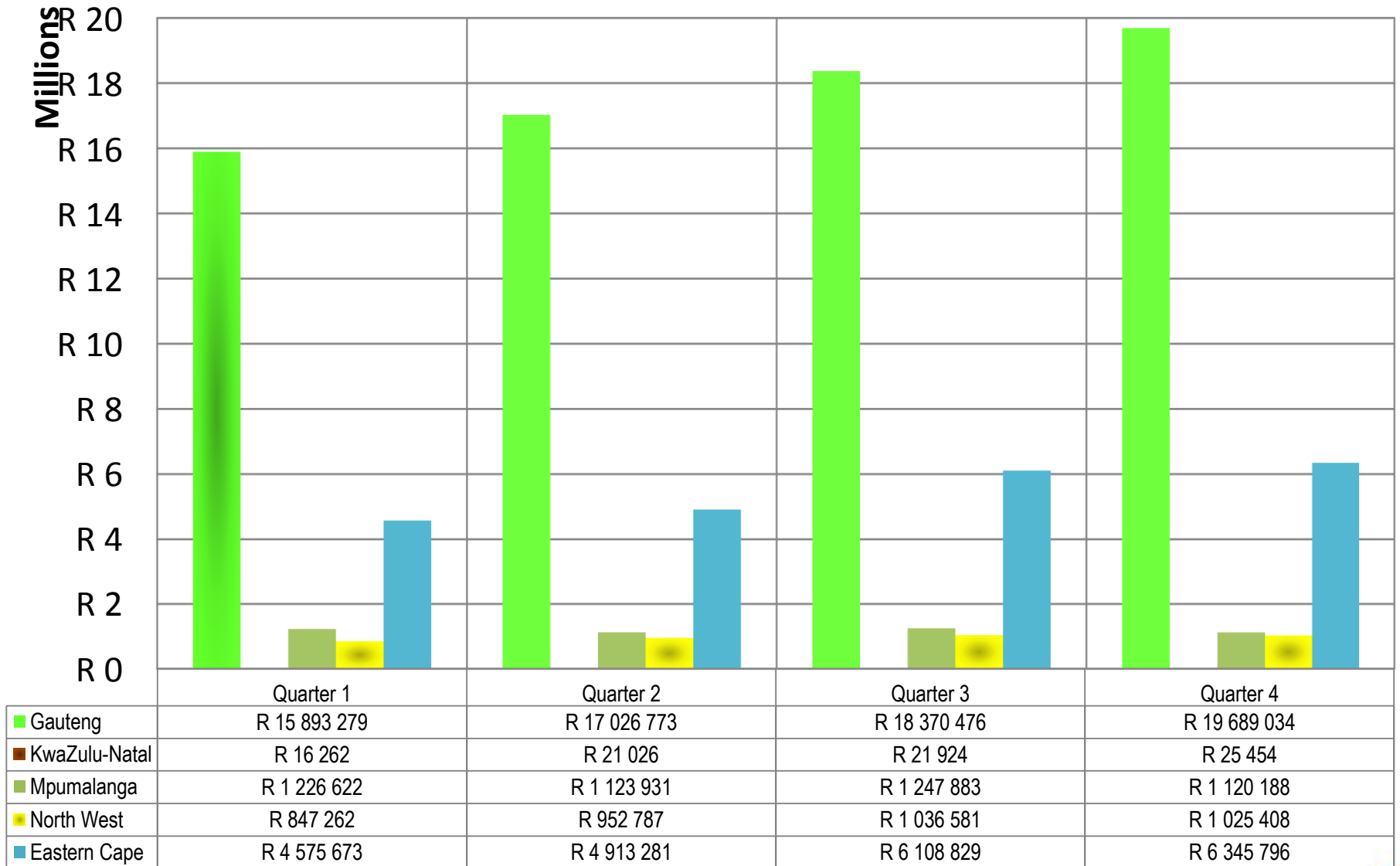
Gambling tax levied and collected by PLAs



2012 constant prices, Reserve Bank

Quarterly bingo taxes/levies - FY2016, Qrt 1, 2, 3 & 4*

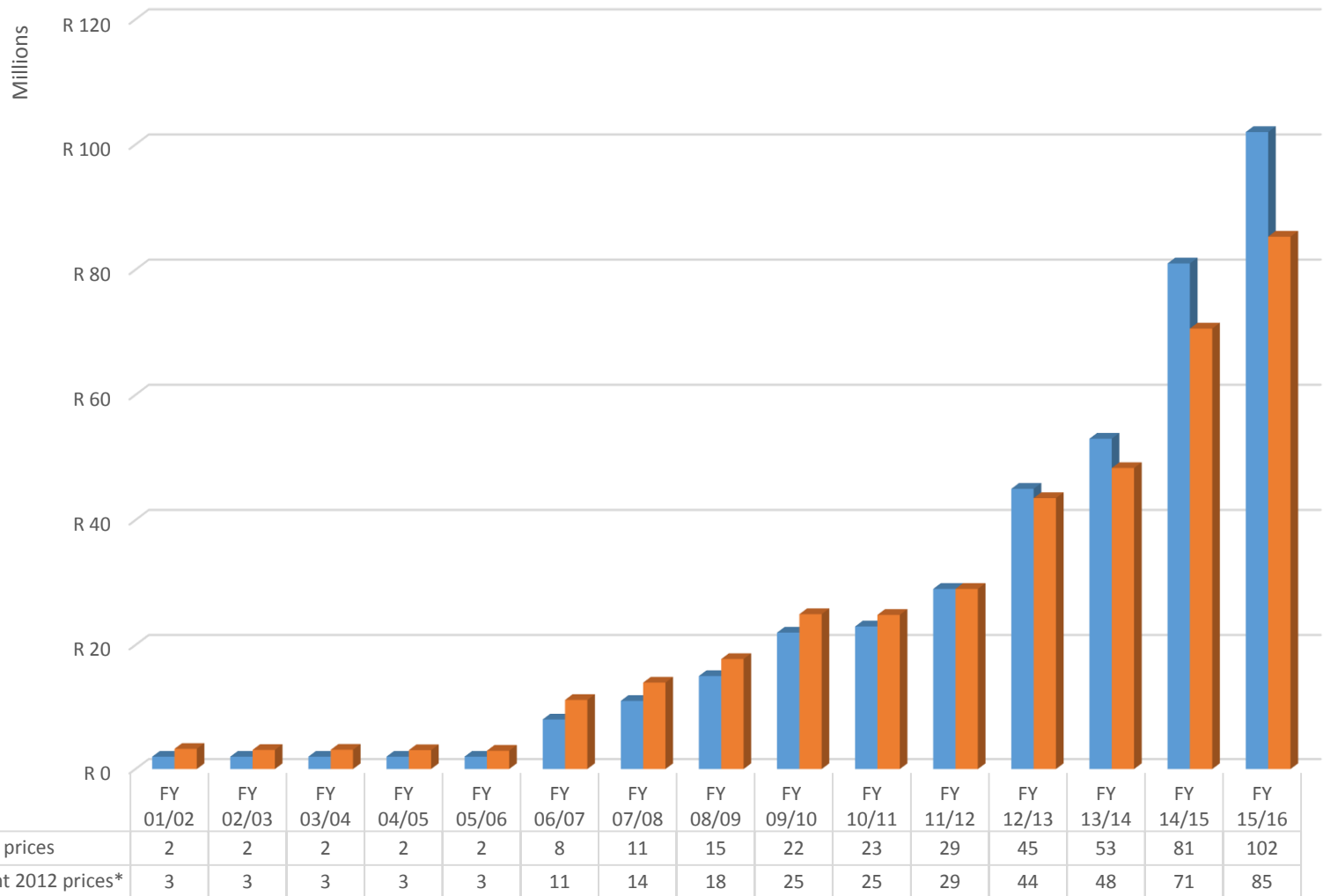
Gambling tax levied by and collected by PLAs



- Bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only
- KZN statistics too low to be visible in graph

Trend in bingo taxes/levies – FY2001/02 to FY2015/16

Gambling tax levied by and collected by PLAs



2012 constant prices, Reserve Bank

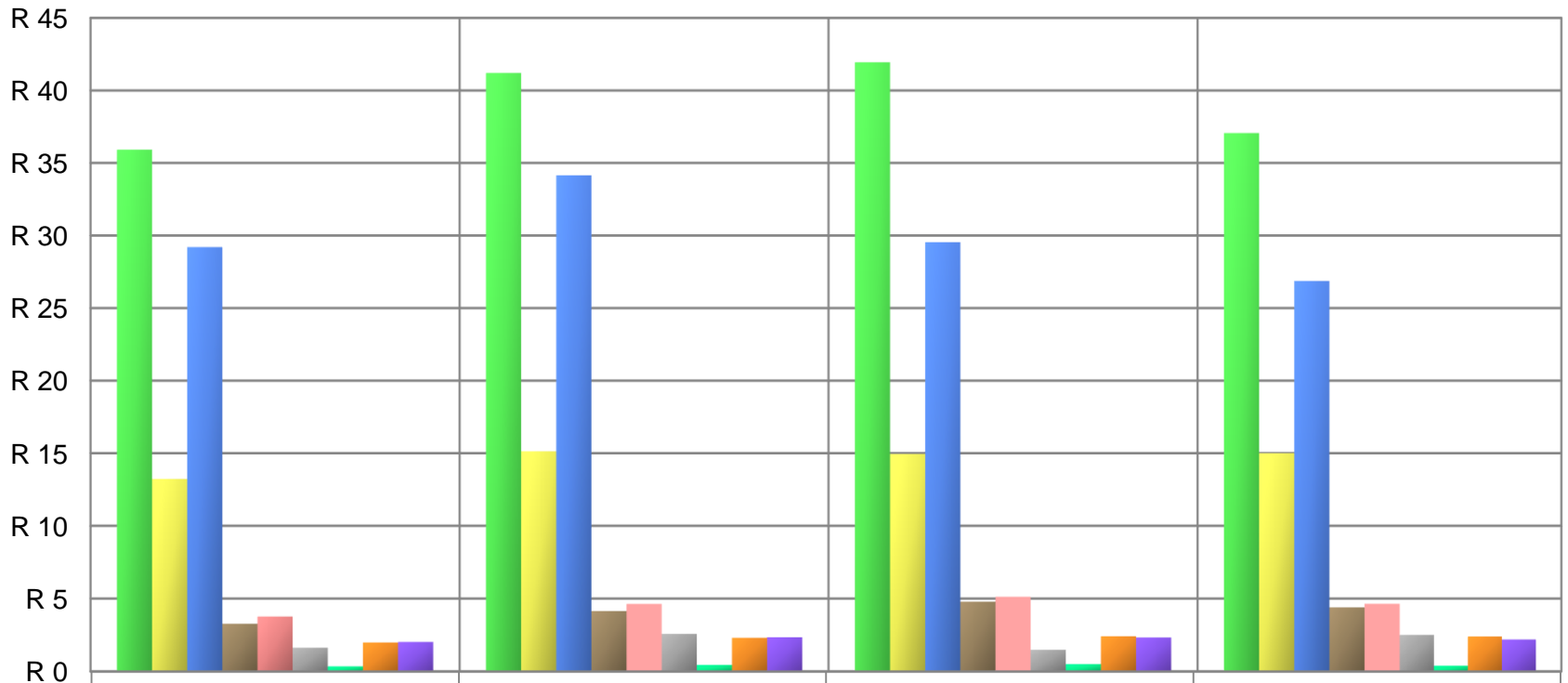
* Bingo statistics represents bingo offered for play in Gauteng, Mpumalanga, North West, KwaZulu-Natal and Eastern Cape only

Quarterly betting taxes/levies – FY2016 Qrt 1, 2, 3 & 4

Bookmakers & Totalisators

Gambling tax levied and collected by PLAs

Millions



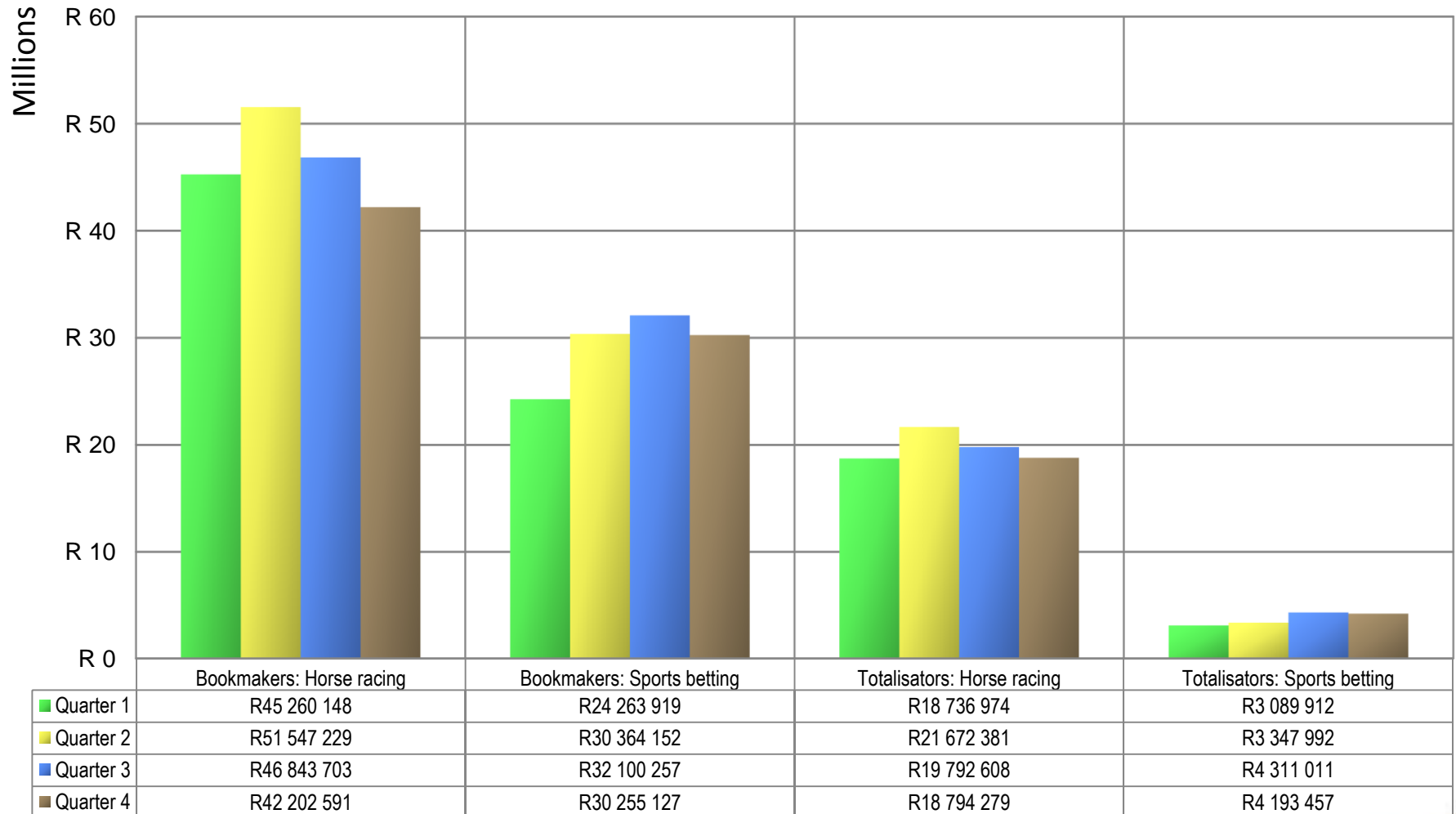
| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
|-----------------|--------------|--------------|--------------|--------------|
| ■ Gauteng | R 35 914 217 | R 41 203 893 | R 41 939 945 | R 37 059 203 |
| ■ Western Cape | R 13 223 631 | R 15 129 595 | R 14 942 818 | R 14 997 953 |
| ■ KwaZulu-Natal | R 29 205 143 | R 34 148 453 | R 29 539 190 | R 26 868 259 |
| ■ Mpumalanga | R 3 267 243 | R 4 145 815 | R 4 782 386 | R 4 396 571 |
| ■ Limpopo | R 3 766 779 | R 4 633 898 | R 5 123 985 | R 4 639 269 |
| ■ North West | R 1 621 397 | R 2 573 071 | R 1 479 838 | R 2 501 121 |
| ■ Northern Cape | R 346 134 | R 448 993 | R 497 781 | R 389 719 |
| ■ Eastern Cape | R 1 983 995 | R 2 306 850 | R 2 415 119 | R 2 400 131 |
| ■ Free State | R 2 022 414 | R 2 341 186 | R 2 326 516 | R 2 193 228 |

Quarterly betting taxes/levies – FY2016, Qrt 1, 2, 3 & 4

Split between Bookmakers & Totalisators

Betting on horse racing & sport

Gambling tax levied and collected by PLAs

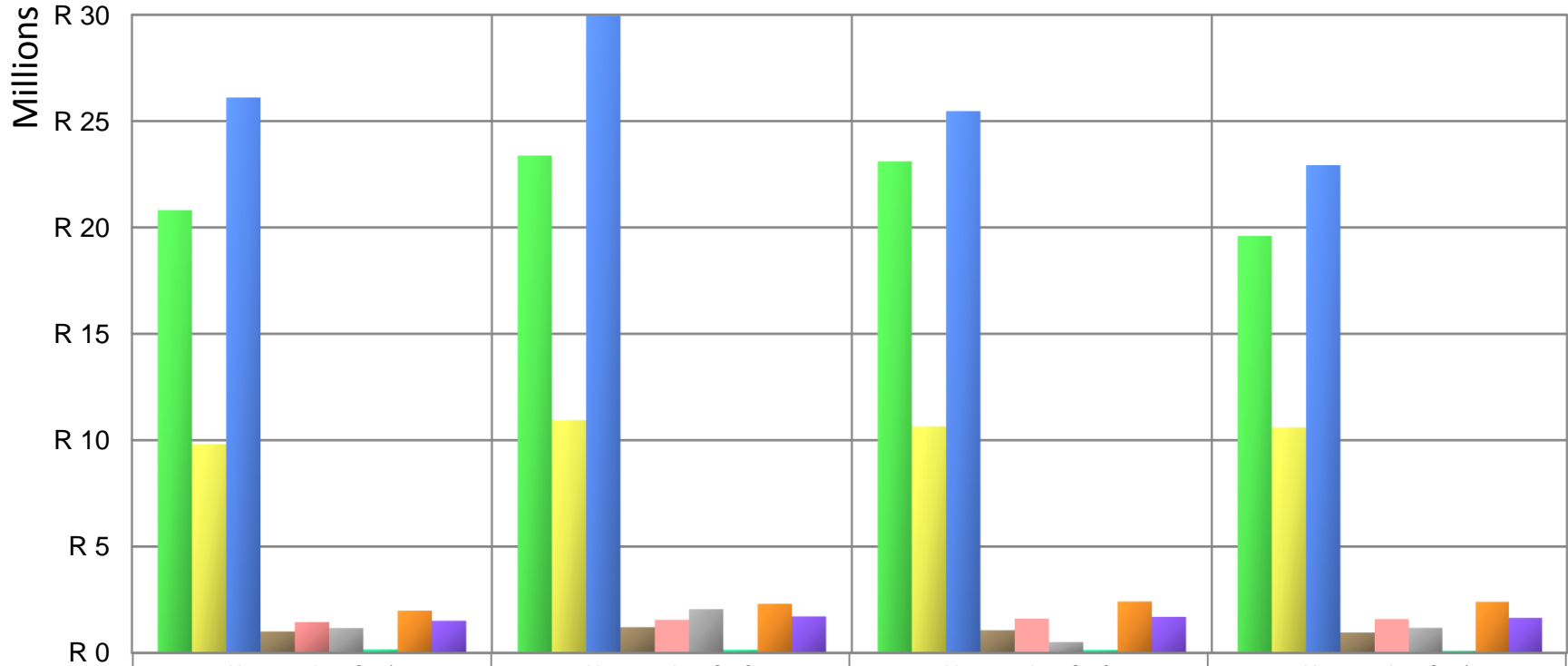


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting taxes/levies – FY2016, Qrt 1, 2, 3 & 4

Betting on horse racing*

Gambling tax levied by and collected by PLAs



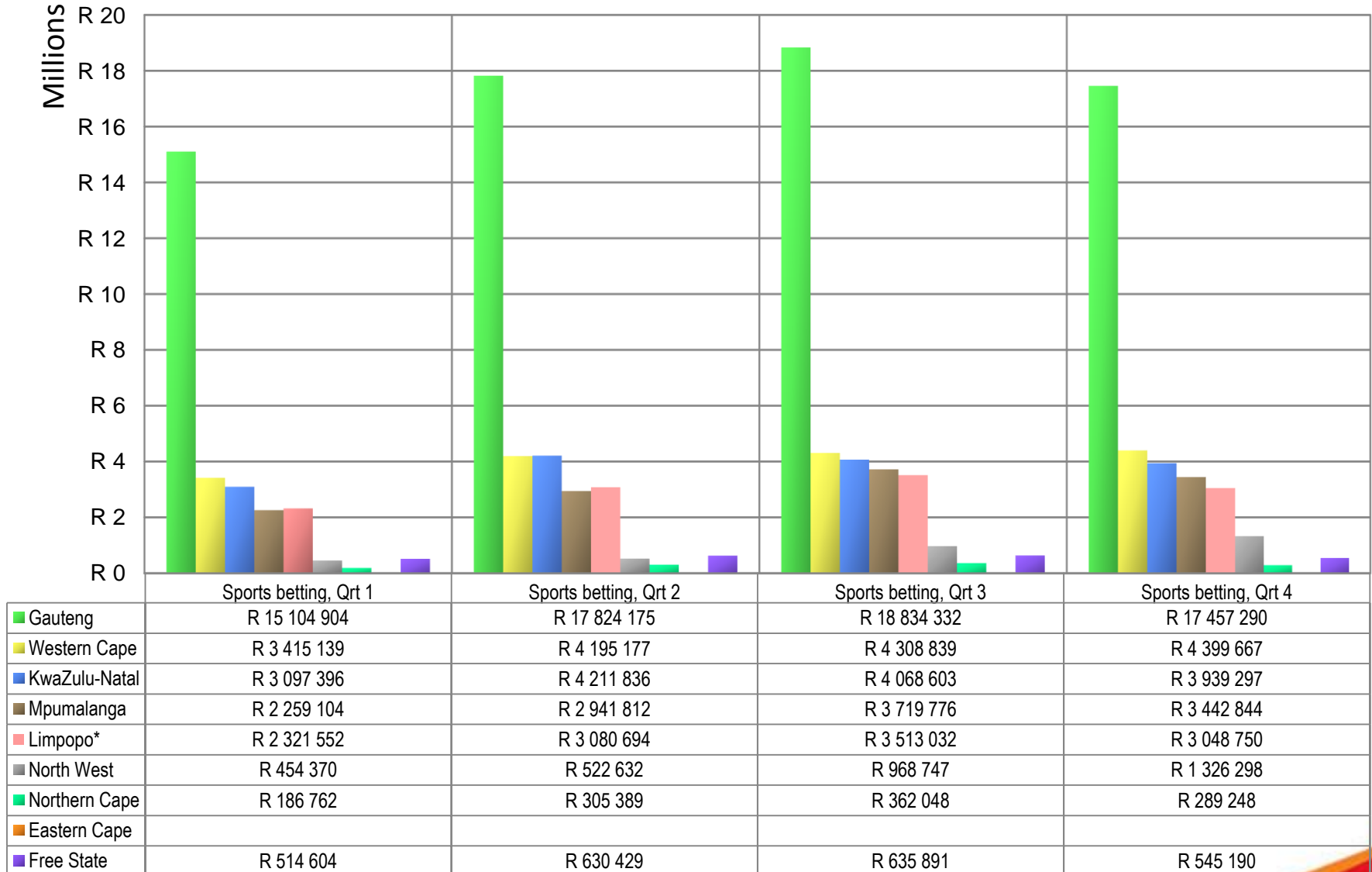
| | Horse racing, Qrt 1 | Horse racing, Qrt 2 | Horse racing, Qrt 3 | Horse racing, Qrt 4 |
|-----------------|---------------------|---------------------|---------------------|---------------------|
| ■ Gauteng | R 20 809 313 | R 23 379 718 | R 23 105 613 | R 19 601 913 |
| ■ Western Cape | R 9 808 493 | R 10 934 419 | R 10 633 979 | R 10 598 286 |
| ■ KwaZulu-Natal | R 26 107 746 | R 29 936 617 | R 25 470 587 | R 22 928 962 |
| ■ Mpumalanga | R 1 008 140 | R 1 204 003 | R 1 062 610 | R 953 727 |
| ■ Limpopo | R 1 445 227 | R 1 553 204 | R 1 610 953 | R 1 590 519 |
| ■ North West | R 1 167 027 | R 2 050 439 | R 511 091 | R 1 174 823 |
| ■ Northern Cape | R 159 372 | R 143 604 | R 135 734 | R 100 471 |
| ■ Eastern Cape | R 1 983 995 | R 2 306 850 | R 2 415 119 | R 2 400 131 |
| ■ Free State | R 1 507 810 | R 1 710 756 | R 1 690 625 | R 1 648 038 |

* Eastern Cape: Statistics includes sports betting

Quarterly betting taxes/levies – FY2016, Qrt 1, 2, 3 & 4

Betting on sport*

Gambling tax levied and collected by PLAs

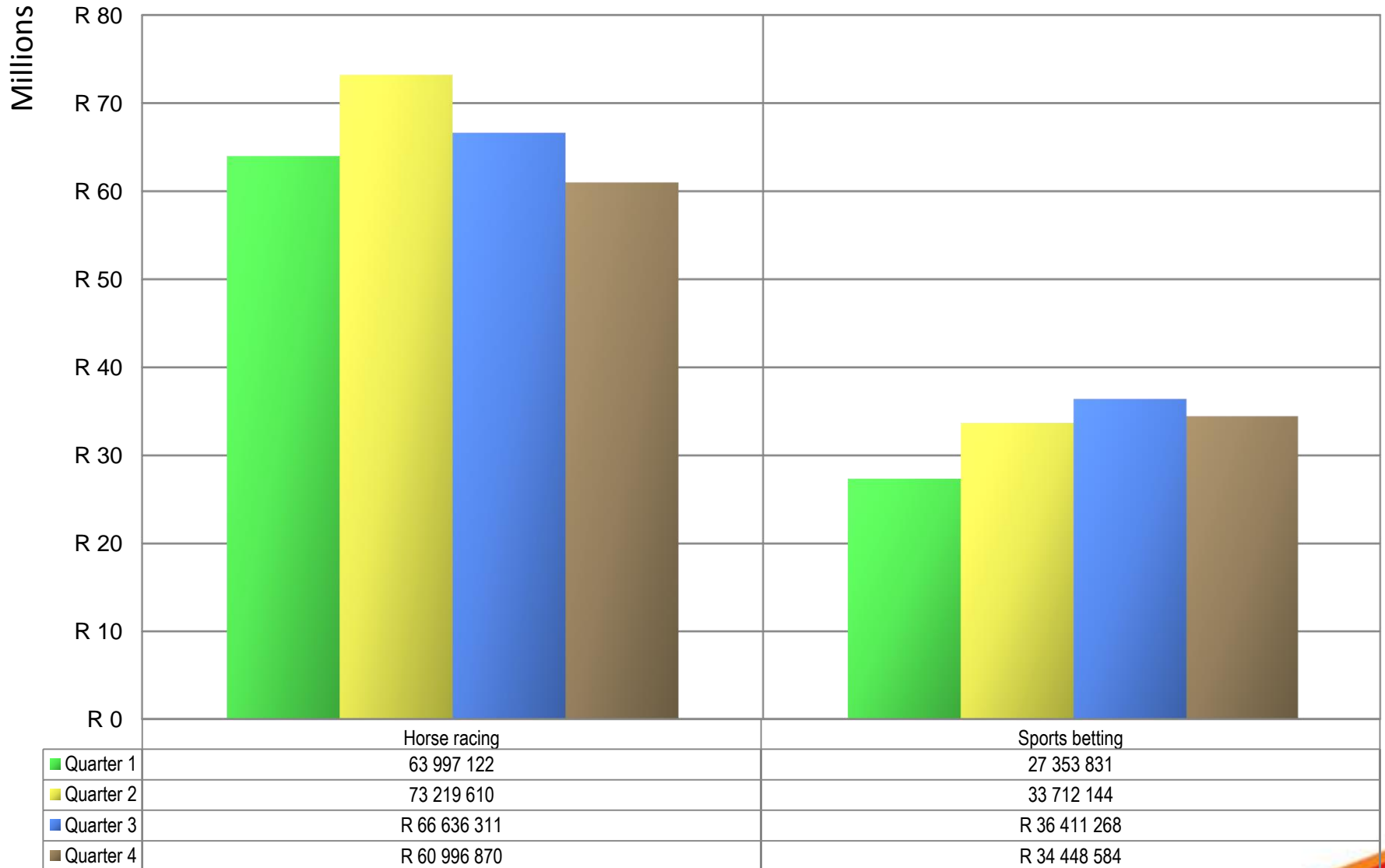


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting taxes/levies – FY2016, Qrt 1, 2, 3 & 4

Split between betting on horse racing & sport

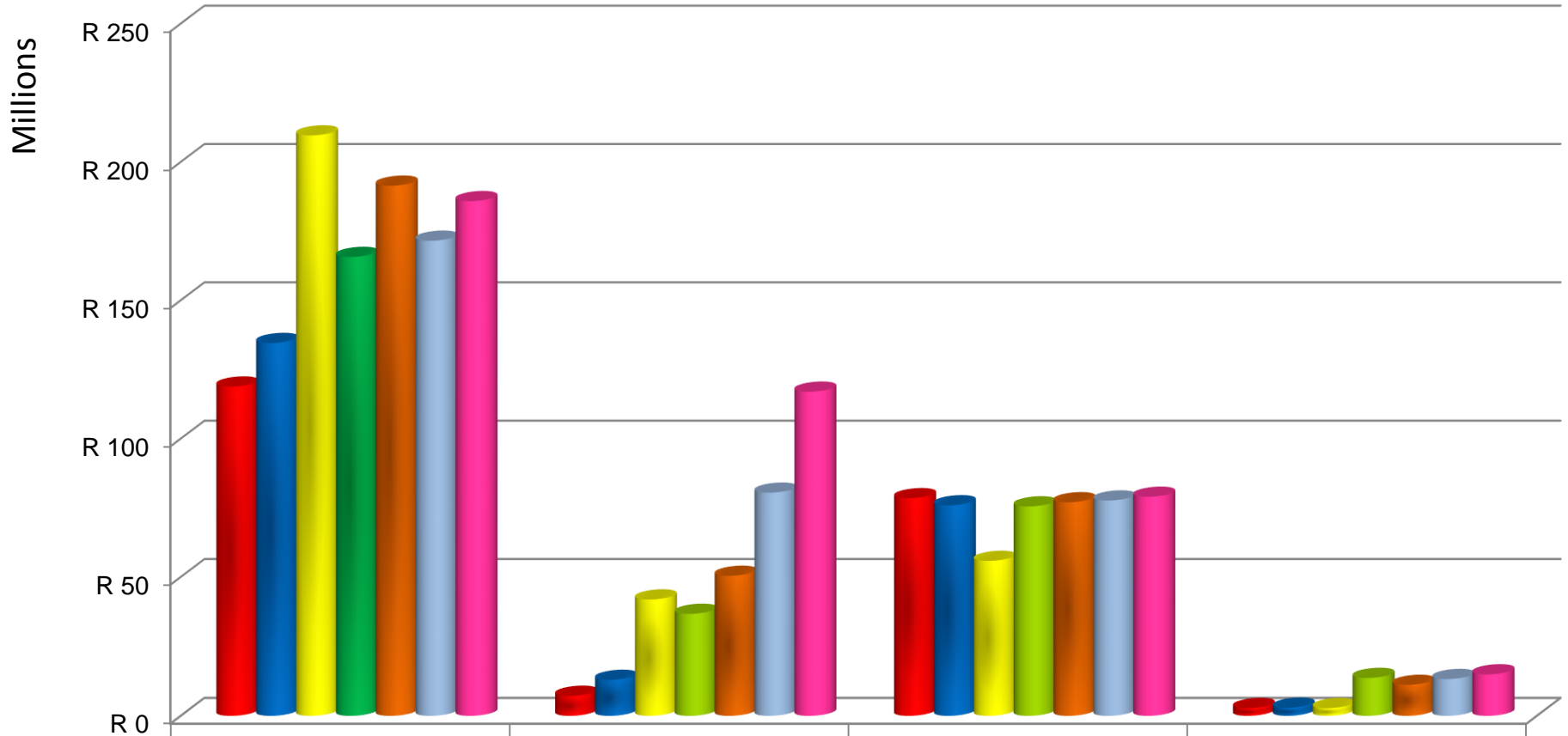
Gambling tax levied and collected by PLAs



* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Trend in taxes/levies, bookmakers & totalisators, FY2010 to FY2016

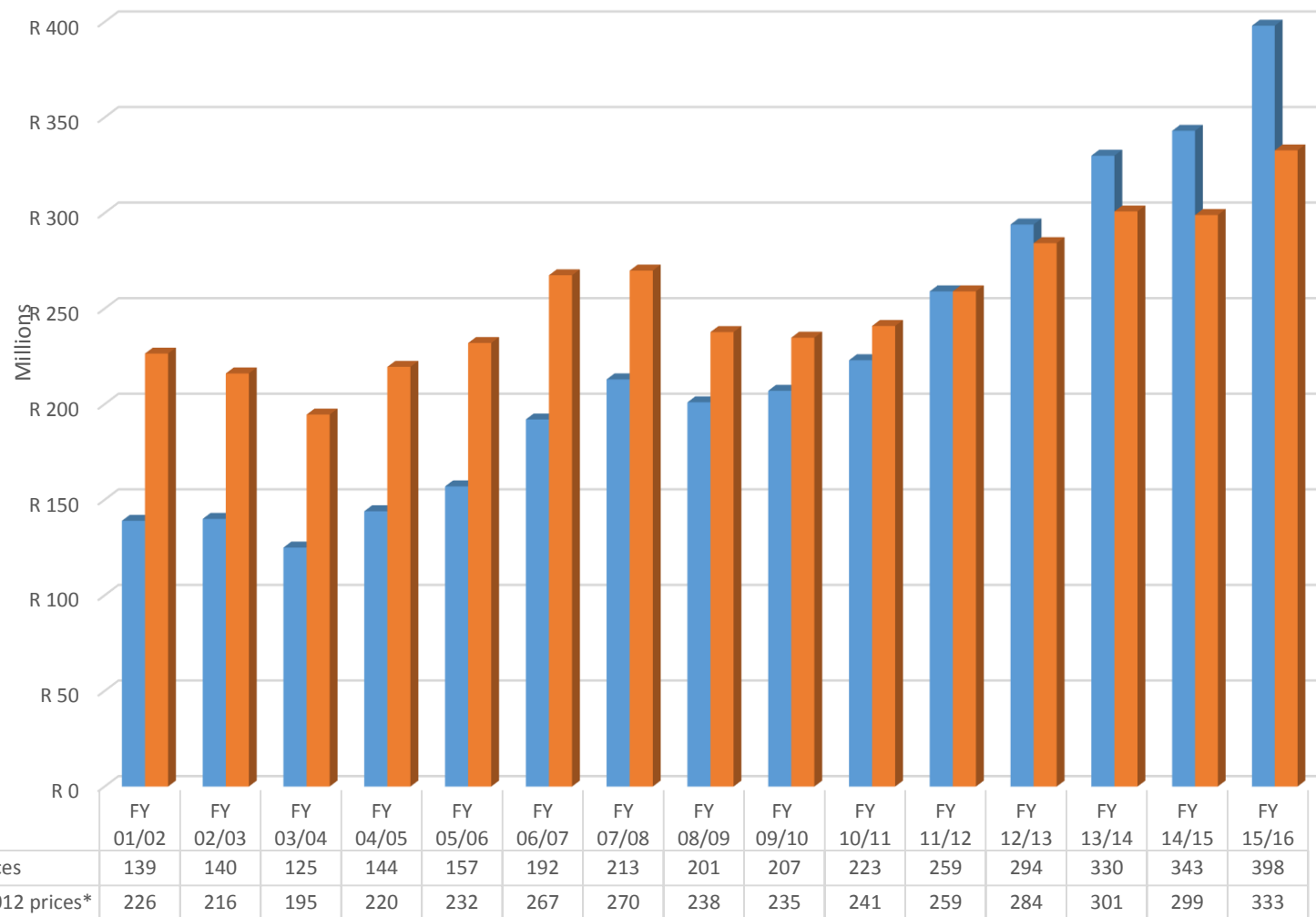
Gambling tax levied and collected by PLAs



| | Bookmakers, Horse racing | Bookmakers, Sports betting | Totalisators, Horse racing | Totalisators, Sports betting |
|--------|--------------------------|----------------------------|----------------------------|------------------------------|
| ■ FY10 | R 118 841 545 | R 7 221 350 | R 78 488 632 | R 2 811 626 |
| ■ FY11 | R 134 575 958 | R 12 953 552 | R 75 922 407 | R 2 923 298 |
| ■ FY12 | R 209 605 256 | R 41 900 245 | R 55 833 557 | R 2 803 829 |
| ■ FY13 | R 165 681 993 | R 36 730 060 | R 75 524 452 | R 13 654 952 |
| ■ FY14 | R 191 426 209 | R 50 436 312 | R 77 014 901 | R 11 153 955 |
| ■ FY15 | R 171 539 696 | R 80 477 317 | R 77 654 988 | R 13 256 731 |
| ■ FY16 | R 185 853 671 | R 116 983 455 | R 78 996 242 | R 14 942 372 |

Trend in betting taxes/levies – FY2001/02 to FY2015/16

Gambling tax levied and collected by PLAs

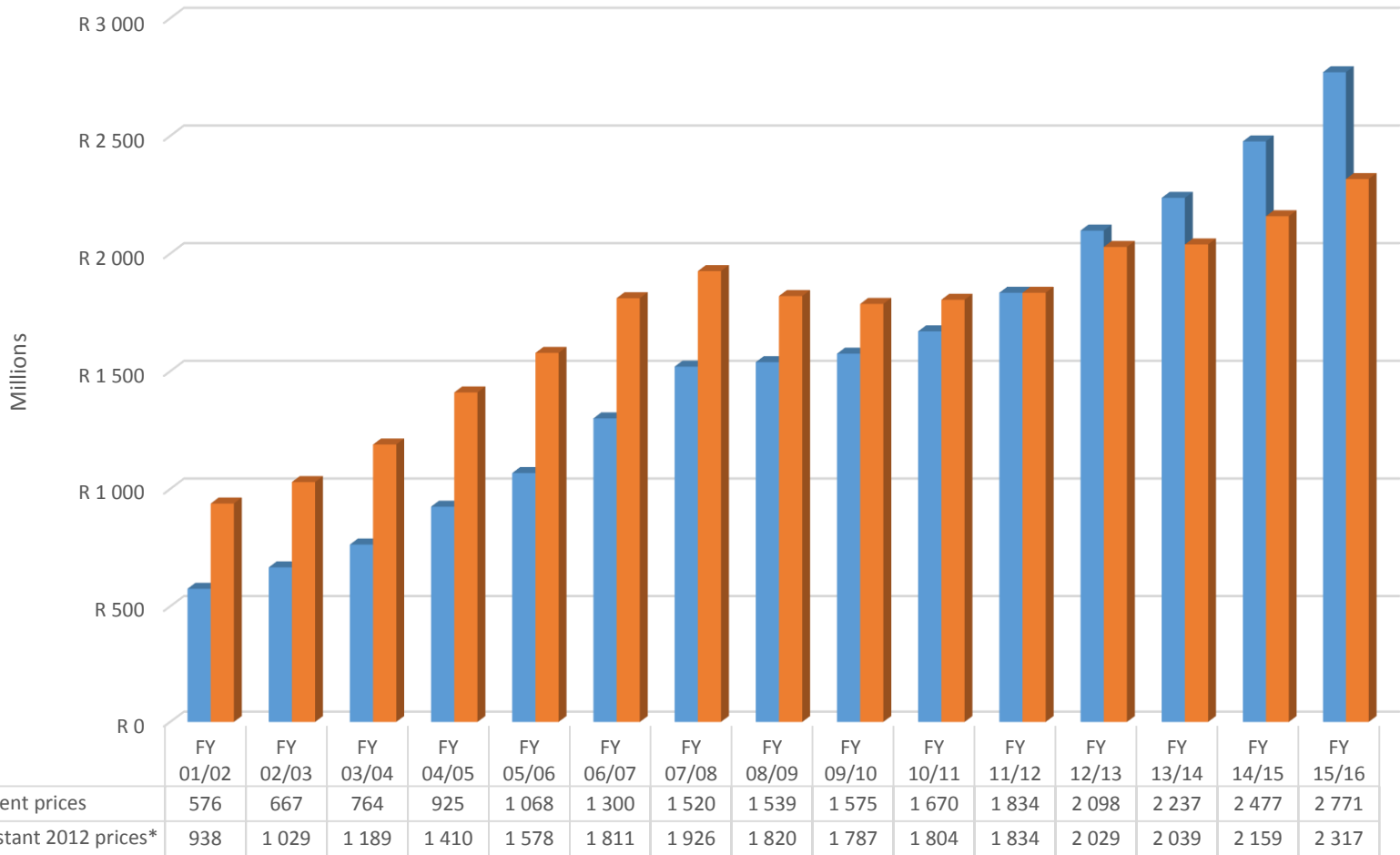


2012 constant prices, Reserve Bank

Trend in taxes/levies – FY2001/02 to FY2015/16

(all modes and provinces)

Gambling tax levied and collected by PLAs

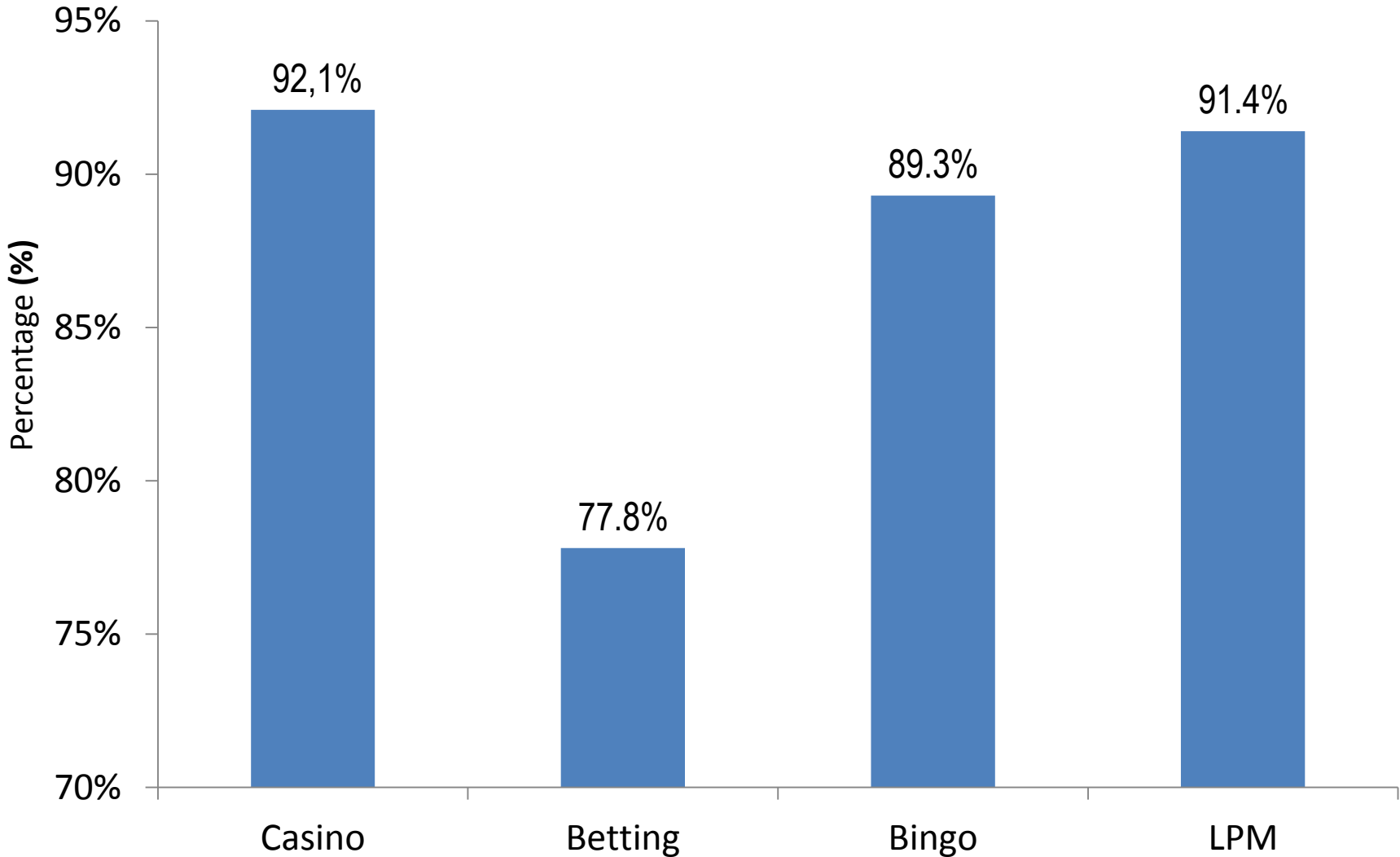


Summary : Taxes/Levies

- ❑ Taxes/levies increased by 6.6% from R2,1 billion in FY13 to R2,2 billion in FY14, by 10.7% to R2,5 billion in FY15, and by 11.9% to R2,8 billion in FY16.
- ❑ A total amount of R 2 770 743 912 was collected during FY16, Quarters 1, 2, 3 & 4.
- ❑ During FY16 (Quarters 1, 2, 3 & 4), at 71.1%, casinos contributed the highest amount of taxes/levies paid by comparison with other gambling modes.
- ❑ At 36.1% Gauteng accounts for the highest amount of taxes/levies paid compared to all other provinces.

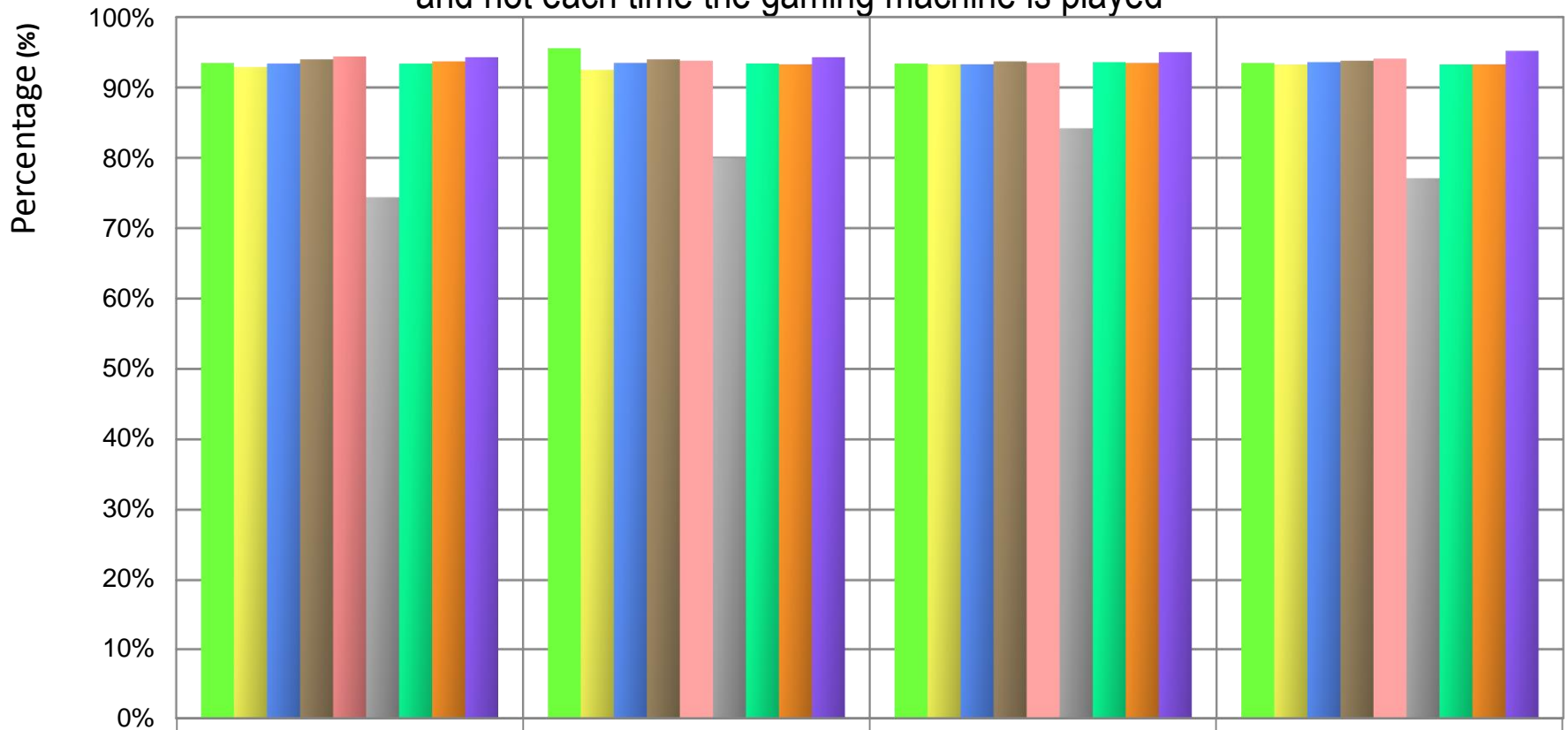
Average RTP % per gambling mode – FY2016

Return to Player is an average achieved over a significant number of game plays* and not each time the gaming machine is played



Quarterly casino RTP % - FY2016

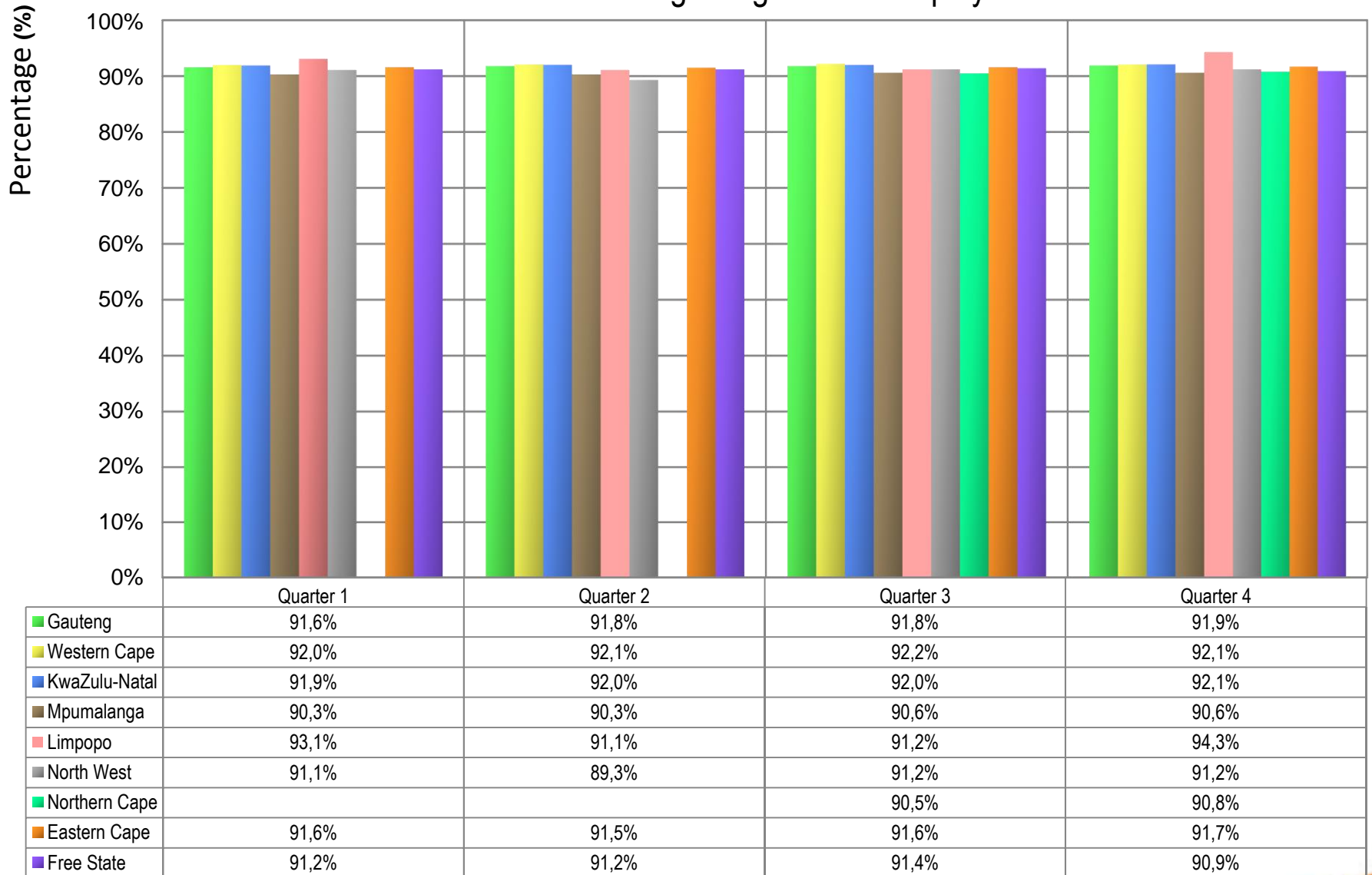
Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
|-----------------|-----------|-----------|-----------|-----------|
| ■ Gauteng | 93,5% | 95,6% | 93,4% | 93,5% |
| ■ Western Cape | 92,9% | 92,5% | 93,3% | 93,3% |
| ■ KwaZulu-Natal | 93,4% | 93,5% | 93,3% | 93,6% |
| ■ Mpumalanga | 94,0% | 94,0% | 93,7% | 93,8% |
| ■ Limpopo | 94,4% | 93,8% | 93,5% | 94,1% |
| ■ North West | 74,4% | 80,0% | 84,2% | 77,1% |
| ■ Northern Cape | 93,4% | 93,4% | 93,6% | 93,3% |
| ■ Eastern Cape | 93,7% | 93,3% | 93,5% | 93,3% |
| ■ Free State | 94,3% | 94,3% | 95,0% | 95,2% |

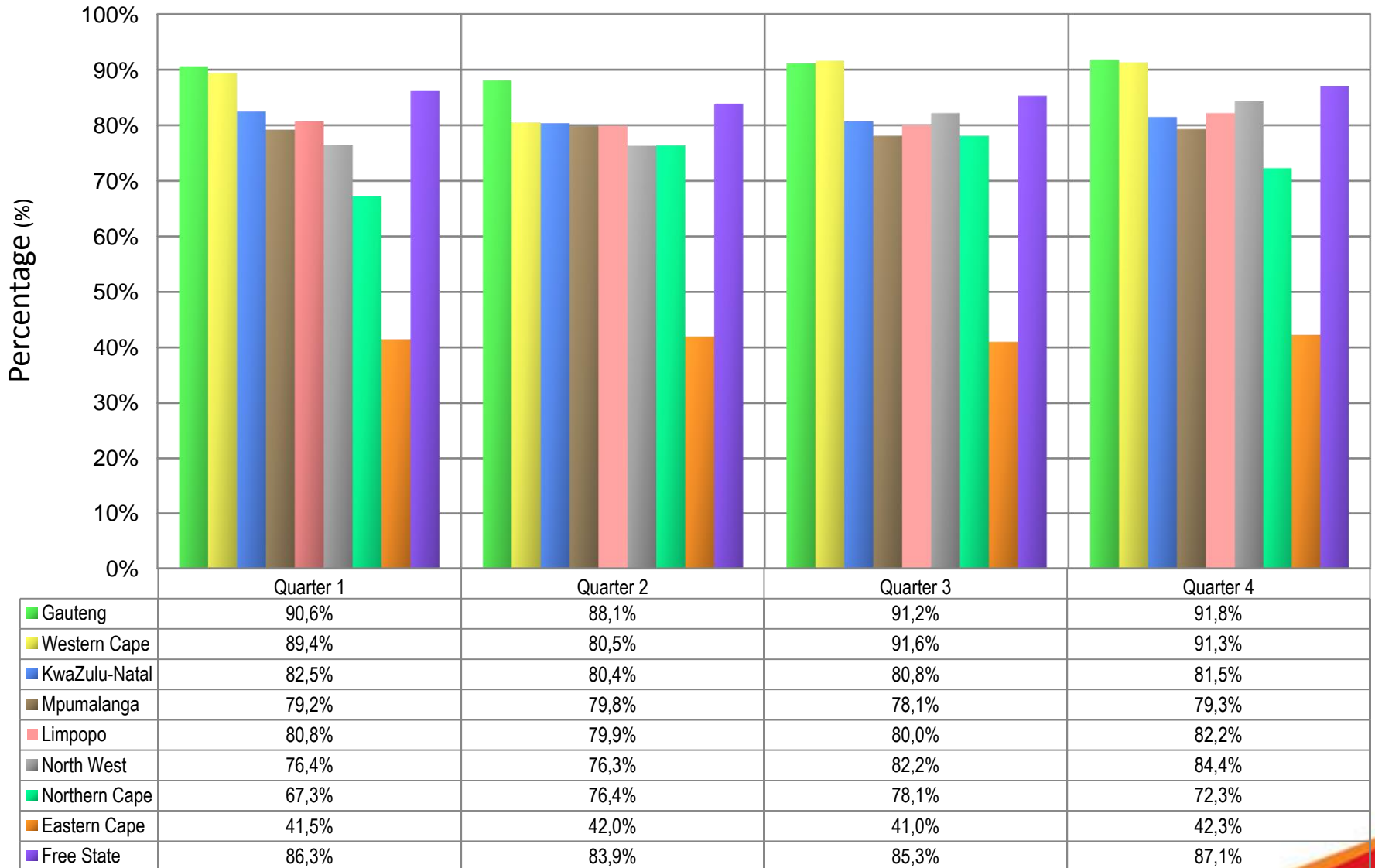
Quarterly LPM RTP % - FY2016

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



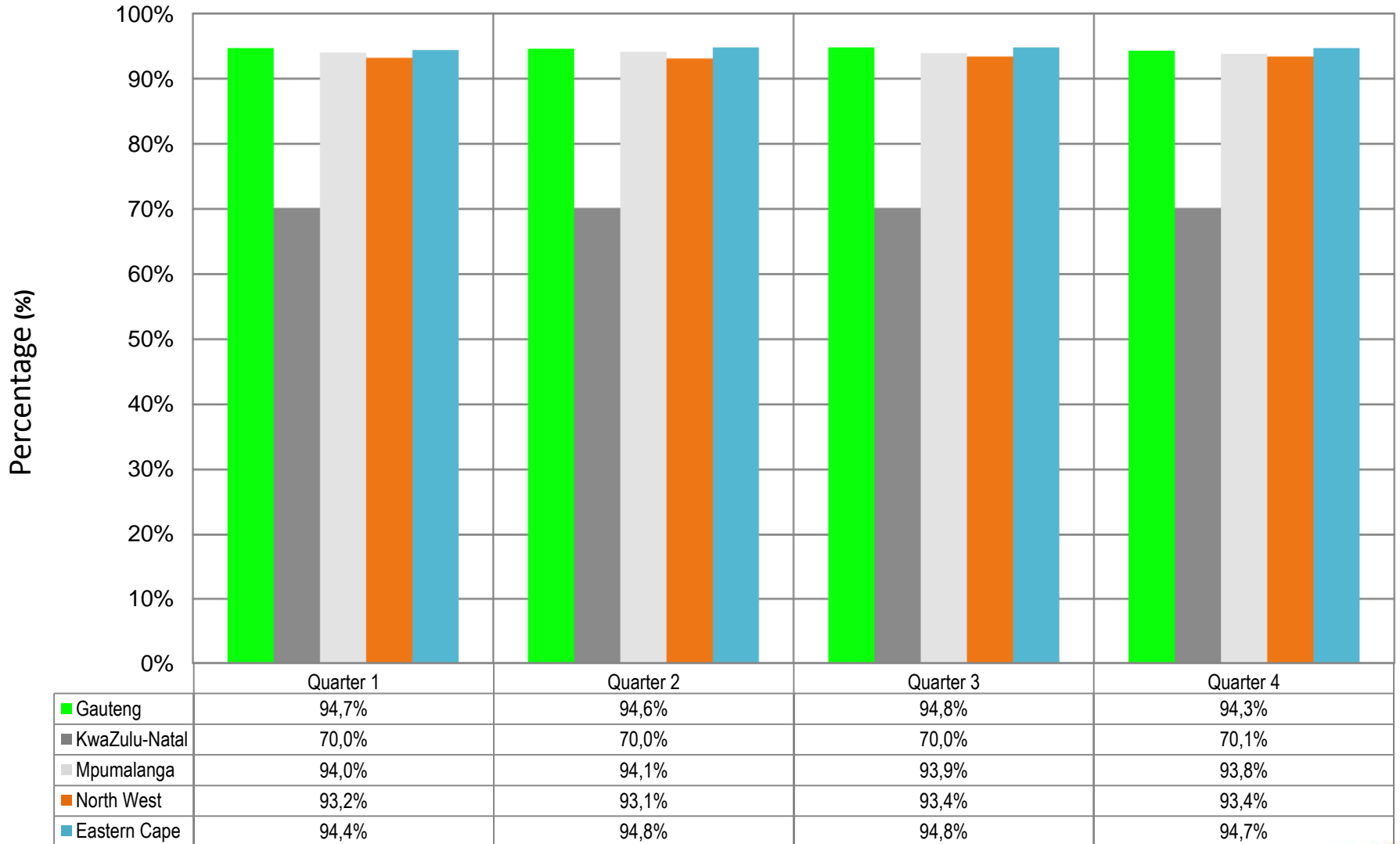
Quarterly betting RTP % - FY2016

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



Quarterly bingo RTP % - FY2016*

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



* Bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only

Conclusion

The trend in real GGR for all modes of gambling, accounting for changes in inflation, grew faster than inflation between FY02 and FY08. However, between FY08 and FY10, gambling revenues from casino's decreased. This coincides with the Global Financial Crises which had ripple effects on the South African economy and resulted in negative growth and loss of jobs and resultantly a cut in consumption expenditure. From FY15 to FY16 however, real growth rate in GGR slowed down to 4.3%.

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National Gambling Board

South Africa

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