

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2007 (“the period”)

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GROUP INCOME STATEMENT

		Unaudited for the 6 months ended 30 June 2007	Unaudited for the 6 months ended 30 June 2006	Audited for the 12 months ended 31 December 2006
	%	R'000	R'000	R'000
Revenue	17,9	839 178	711 829	1 517 113
Net gaming win	17,6	771 217	656 022	1 381 332
Theme Park	49,9	31 032	20 700	58 396
Food and beverage	22,3	18 490	15 119	33 759
Other	(7,7)	18 439	19 988	43 626
Other income		6 366	4 280	9 365
		845 544	716 109	1 526 478
Gaming levies and VAT		(151 332)	(129 174)	(271 310)
Employee costs		(167 098)	(151 402)	(314 695)
Promotional and marketing costs		(57 462)	(51 908)	(113 679)
Depreciation and amortisation		(52 997)	(51 731)	(101 812)
Other operating expenses		(117 599)	(99 075)	(218 482)
Operating profit	28,4	299 056	232 819	506 500
Finance income		8 527	6 435	11 957
Finance costs		(24 269)	(14 122)	(36 960)
Profit before equity-accounted earnings		283 314	225 132	481 497
Share of profits of associate		–	669	669
Profit before taxation	25,5	283 314	225 801	482 166
Taxation expense		(103 718)	(87 378)	(159 210)
Profit for the period	29,7	179 596	138 423	322 956
Attributable to:				
Equity holders of Gold Reef	25,4	138 190	110 228	254 312
Minority interest		41 406	28 195	68 644
		179 596	138 423	322 956
Number of shares in issue (000)		220 603	220 603	220 603
Weighted average number of shares in issue (000)		203 961	203 961	203 961
Earnings per share (cents)	25,6	67,8	54,0	124,7
Diluted earnings per share (cents)	25,6	67,8	54,0	124,7

SUPPLEMENTARY INFORMATION

HEADLINE EARNINGS RECONCILIATION

Attributable profit for the period	25,4	138 190	110 228	254 312
(Profit)/loss on sale of property, plant and equipment		(662)	10	(16)
Pre-opening expenses		2 420	–	–
CGT relating to ALL refinancing		–	5 466	5 466
Headline earnings	21,0	139 948	115 704	259 762
Headline earnings per share (cents)	21,0	68,6	56,7	127,4

EBITDA RECONCILIATION

Operating profit	28,4	299 056	232 819	506 500
Property and equipment rental		6 044	6 881	15 346
Depreciation and amortisation		52 997	51 731	101 812
EBITDA	22,9	358 097	291 431	623 658
EBITDA margin (%)		42,7	40,9	41,1

GROUP STATEMENT OF CHANGES IN EQUITY

	Share capital net of treasury shares	Reserves	Retained earnings	Minority interest	Total equity
Balance at 1 January 2006	428 352	18 996	595 373	96 429	1 139 150
Recognition of share-based payments	–	4 742	–	–	4 742
Revaluation of land per IFRS3	–	27 519	–	–	27 519
Attributable profit for the period	–	–	110 228	28 195	138 423
Dividend paid	–	–	(104 020)	–	(104 020)
Movement in loans from minorities	–	–	–	(1 702)	(1 702)
Adjustment arising on ALL refinancing	–	–	(25 773)	61 323	35 550
Transactions with minorities in Mykonos Casino	–	(6 153)	–	(1 623)	(7 776)
Dividends paid to minorities by subsidiaries	–	–	–	(38 616)	(38 616)
Minorities created on Goldfields acquisition	–	–	–	3 213	3 213
Minorities created on Garden Route acquisition	–	–	–	13 116	13 116
Balance at 30 June 2006	428 352	45 104	575 808	160 335	1 209 599
Recognition of share-based payments	–	5 246	–	–	5 246
Negative hedge reserve created during the period	–	(10 345)	–	–	(10 345)
Attributable profit for the period	–	–	144 084	40 449	184 533
Dividends paid to minorities by subsidiaries	–	–	–	(3 889)	(3 889)
Balance at 31 December 2006	428 352	40 005	719 892	196 895	1 385 144
Recognition of share-based payments	–	5 571	–	–	5 571
Positive hedge reserve created during the period	–	25 868	–	–	25 868
Hedge reserve released during the period	–	(270)	–	–	(270)
Attributable profit for the period	–	–	138 190	41 406	179 596
Dividend declared	–	–	(150 242)	–	(150 242)
Dividends paid to minorities by subsidiaries	–	–	–	(3 556)	(3 556)
Balance at 30 June 2007	428 352	71 174	707 840	234 745	1 442 111

GROUP BALANCE SHEET

	Unaudited at 30 June 2007	Restated at 30 June 2006	Audited at 31 December 2006
	R'000	R'000	R'000
Assets			
Non-current assets			
Property plant and equipment	1 464 220	1 013 386	1 278 485
Leasehold improvements	102 037	96 971	101 710
Intangible assets	471 397	376 439	472 717
Deferred tax assets	38 760	51 843	62 627
Investment in joint ventures	37 528	–	36 280
Financial assets	99 962	89 873	94 675
Share incentive scheme	25 982	29 009	25 484
	2 239 886	1 657 521	2 071 978
Current assets			
Inventories	11 186	5 435	7 584
Receivables and prepayments	61 780	23 491	20 223
Cash and cash equivalents	470 421	124 672	105 735
Amounts owing by related parties	3 910	26 267	4 865
	547 297	179 865	138 407
Total assets	2 787 183	1 837 386	2 210 385
Equity and liabilities			
Capital and reserves			
Ordinary share capital	4 412	4 412	4 412
Share premium	499 280	499 280	499 280
Treasury shares	(75 340)	(75 340)	(75 340)
	428 352	428 352	428 352
Share-based payment reserve	31 781	20 964	26 210
Other reserves	39 393	24 140	13 795
Retained earnings	707 840	575 808	719 892
	1 207 366	1 049 264	1 188 249
Minority interest	234 745	160 335	196 895
Total equity	1 442 111	1 209 599	1 385 144
Non-current liabilities			
Interest-bearing borrowings	564 859	363 500	394 330
Deferred tax liabilities	52 993	49 001	56 453
	617 852	412 501	450 783
Current liabilities			
Trade and other payables	553 788	81 321	144 623
Provisions	41 234	25 151	46 653
Bank overdraft	2 068	2 630	43 013
Tax liabilities	35 622	81 184	58 779
Current portion of interest-bearing borrowings	91 499	25 000	76 967
Amounts owing to related parties	3 009	–	4 423
	727 220	215 286	374 458
Total equity and liabilities	2 787 183	1 837 386	2 210 385

GROUP CASH FLOW STATEMENT

	Unaudited for the 6 months ended 30 June 2007	Unaudited for the 6 months ended 30 June 2006	Audited for the 12 months ended 31 December 2006
	R'000	R'000	R'000
Cash flow from operating activities			
Profit before taxation	283 314	225 801	482 166
Non-cash items and other adjustments	99 908	60 087	137 263
	383 222	285 888	619 429
(Increase)/decrease in working capital	(78 655)	(3 601)	49 438
Cash flow from operating activities	304 567	282 287	668 867
Interest paid	(24 269)	(14 122)	(36 960)
Interest received	8 527	6 435	11 957
Taxation paid	(106 468)	(133 037)	(227 584)
Dividend paid	–	(104 020)	(104 020)
Net cash generated in operating activities	182 357	37 543	312 260
Cash flow from investing activities			
Additions to property plant and equipment	(239 019)	(57 893)	(351 456)
Additions to leasehold improvements	(637)	(110)	(6 530)
Proceeds from disposal of property, plant and equipment	1 917	525	4 178
Investment in available-for-sale financial instruments	(5 287)	(89 872)	(94 674)
Investment in intangibles	–	–	(53)
Loans issued to joint ventures	(1 248)	–	(36 280)
Loans repaid by associate	–	–	691
Net (advances to)/repayments by related parties	(459)	82 179	94 601
Net cash effect of acquisition of Inkonka	–	(174 261)	(175 623)
Net cash effect of acquisition of Tanglepark	–	(111 818)	(117 006)
Net cash effect of acquisition of Silverstar Casino	–	–	(78 278)
Net cash effect of ALL refinancing	–	43 300	35 550
Net cash effect of acquisition of West Coast Leisure	–	(7 776)	(7 776)
Net cash utilised in investing activities	(244 733)	(315 726)	(732 656)
Cash flow from financing activities			
(Increase)/decrease in share incentive scheme loan	(498)	3 830	7 355
Dividend and loan repayments to outside shareholders	(3 556)	(40 318)	(44 207)
Subscription of shares to be issued in flip-up transaction	287 000	–	–
Increase in interest-bearing borrowings	185 061	327 351	410 608
Net cash generated in financing activities	468 007	290 863	373 756
Net increase/(decrease) in cash and cash equivalents	405 631	12 680	(46 640)
Cash and cash equivalents at beginning of period	62 722	109 362	109 362
Cash and cash equivalents at end of period	468 353	122 042	62 722

Directors: M Krok (Chairman)*; SB Joffe (Chief Executive Officer); AJ Aaron*; BJ Biyela; JS Friedman; RJ Khoza*; A Krok*; MZ Krok*; S Krok*; J Leutgeb*; RT Moloko*; C Neuberger*; BJ Schutte*; P September*; R Vierziger** (*Non-executive director **Alternate director #Austrian citizen)

Registered office: Gold Reef City, Gate 4, Northern Parkway, Ormonde, 2091

Transfer secretaries: Link Market Services South Africa (Pty) Limited, 5th Floor, 11 Diagonal Street, Johannesburg, 2001 (P O Box 4844, Johannesburg, 2000)

Company secretary: CRT Paul CA(SA)