



MINISTRY: FINANCE
REPUBLIC OF SOUTH AFRICA

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PRESS RELEASE ON R153 BOND SPLIT OPTION

1 SEPTEMBER 2007

The National Treasury through the Asset and Liability Management Division wants to notify Bond holders that they are able to split their R153– 13.0% 2009/10/11 Government Bond holdings into three new series of bonds from 1 September 2007.

The split option is in line with decisions previously made by the National Treasury with regard to the R144, R147, R150 and R194 three legged government bonds.

The National Treasury would like to stress that the R153 bond split is totally optional. This will be available until the books closed date, which is 10 days prior to the first leg's maturity date of 31 August 2009. Thereafter all outstanding R153 bonds will automatically split, as per terms and condition.

If holders opted to split their holdings in the R153 bond, they may surrender their holdings as from 1 September 2007 for replacement. The following new bonds, which total the original nominal value of their holding, will replace the R153 benchmark bond:-

R008 – 13.0% IRB 2009, redeemable 31 August 2009

R154 – 13.0% IRB 2010, redeemable 31 August 2010

R155 – 13.0% IRB 2011, redeemable 31 August 2011

If a holding in the R153 bond is not fully divisible by one third, the R008 and R155 bonds will be rounded to the nearest one rand, with the balance being added to the middle tranche, R154 bond.

One third of the nominal amount, rounded off to the nearest R1.00 will be redeemed on 31 August 2009, after which the remaining two-thirds will be split amongst the R154 and R155 bonds as explained above.

Holders with electronic holdings at STRATE are requested to contact their settlement agents to affect the split on their behalf. Holders of certificates in the R153 bond are requested to surrender their certificates for splitting, by registered mail:

The Division Head
Asset and Liability Management Division
National Treasury
Private Bag X115
Pretoria
0001

Or delivered by hand to:

Asset and Liability Management Division
National Treasury
c/o Andries and Vermeulen Streets
240 Vermeulen Street
14th Floor, Room 1403
Pretoria

A separate letter, to holders of the R153 bond who opted not to split, will be sent three months prior to the first redemption date of the R153 bond, 31 August 2009, to explain the redemption procedures for their bonds holdings.

For any information required, please contact Susan Scheepers (012) 315-5273 or Johan Krynauw (012) 315-5274