

SPUR CORPORATION

MEDIA RELEASE

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SPUR CORPORATION DIVIDEND PER SHARE UP 18.5%

Cape Town - Franchise restaurant group Spur Corporation has once again delivered a solid performance in the six months ended 31 December 2009 despite the difficult economic environment and downturn in the retail market.

Diluted headline earnings per share grew 14.0% to 50.46 cents (2008: 44.25 cents). An interim dividend of 32.0 cents per share was declared, up 18.5% on the previous year.

The group increased revenue by 6% to R179.5 million.

Franchise fee income for the Spur Steak Ranch brand increased by 8.8% to R65.5 million; Panarottis Pizza Pasta by 7.7% to R5.6 million and John Dory's Fish and Grill by 29.5% to R4.5 million. International franchisee fee income declined by 8.7% to R5.8 million negatively impacted by the strengthening of the Rand against foreign currencies.

Profit before tax increased 17.4% to R68.5 million. Excluding one-off items such as foreign exchange losses and international restaurant start-up costs, comparable profit before tax would have increased by 13.0%. Group headline earnings increased 16.0% to R45.4 million (2008: R39.1 million).

Managing director, Pierre van Tonder, adopted a realistic view of the current world economy and said that recessionary pressures still afflicted the industry both locally and abroad. He did, however, indicate that while lower discretionary consumer expenditure has reduced the frequency of restaurant visits, lower interest rates, stabilising inflation (particularly food prices) and higher real wage increases have positively impacted on consumer sentiment.

Despite many economists' predictions that there would be no meaningful upturn in consumer spending for the balance of the financial year, Van Tonder stated:

"In this environment, value and affordability remain our primary focus. We are determined to remain competitive and deliver great food, service and a fun environment."

“The FIFA 2010 World Cup heralds an exciting time for the country and support from our loyal customers, combined with the extended mid-year school holiday, should impact favourably on trading during this period,” he added.

Local restaurant expansion resulted in 13 new restaurants during the first half of the financial year. Internationally, new Spur restaurants were opened in Mandurah (Western Australia), Aberdeen (Scotland) and Maseru (Lesotho). The group opened its first franchised Spur Steak Ranch in Dubai in January 2010.

At the end of December 2009 the group had 359 restaurants, including 37 across Africa (outside of South Africa), Australia and the United Kingdom.

Issued by Tier 1 Investor Relations on behalf of Spur Corporation

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