



MINISTER: FINANCE
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001, Tel: +27 12 323 8911, Fax: +27 12 323 3262
PO Box 29, Cape Town, 8000, Tel: +27 21 464 6100, Fax: +27 21 461 2934

Ref. M3/15/21 (2232/11)

Mr M Gigaba, MP
Minister of Public Enterprises
Private Bag X15,
HATFIELD
0028

Dear *Malusi*,

ESKOM: REQUEST TO INCREASE THE GUARANTEED DOMESTIC MEDIUM TERM NOTE PROGRAMME FROM R65 BILLION TO R100 BILLION

I refer to your letter dated 30 July 2011 regarding the abovementioned matter.

Government approved guarantees to Eskom under the Guarantee Framework Agreement (GFA) to a Principle Amount of R176 billion, of which R150 billion was for the issuance of new debt and R26 billion for pre-existing debt issued under the R65 billion Domestic Medium Term Note (DMTN) programme.

Provision was made in clause 10.1 of the (GFA) for Eskom to approach Government to increase the DMTN limit when the need arises. Eskom has utilised the current DMTN limit of R65 billion fully.

Since Eskom has exhausted the current R65 billion DMTN programme limit and based on the successful issuance attained by Eskom under this programme, I concur with your approval for Eskom to increase the DMTN programme from R65 billion to R100 billion. Eskom will affect this through the provision of a notice to the JSE as provided for in the JSE listing document for the DMTN programme.

I trust you will find the above in order.

Kind regards

PRAVIN J GORDHAN
MINISTER OF FINANCE

Date: *9-6-2011*