

Don Group plans to exit travel sector

The Don Group sold three of its nine hotels for R77,5-million, and plans to sell the remaining six once buyers have been secured according to a statement released after the market closed on Wednesday.

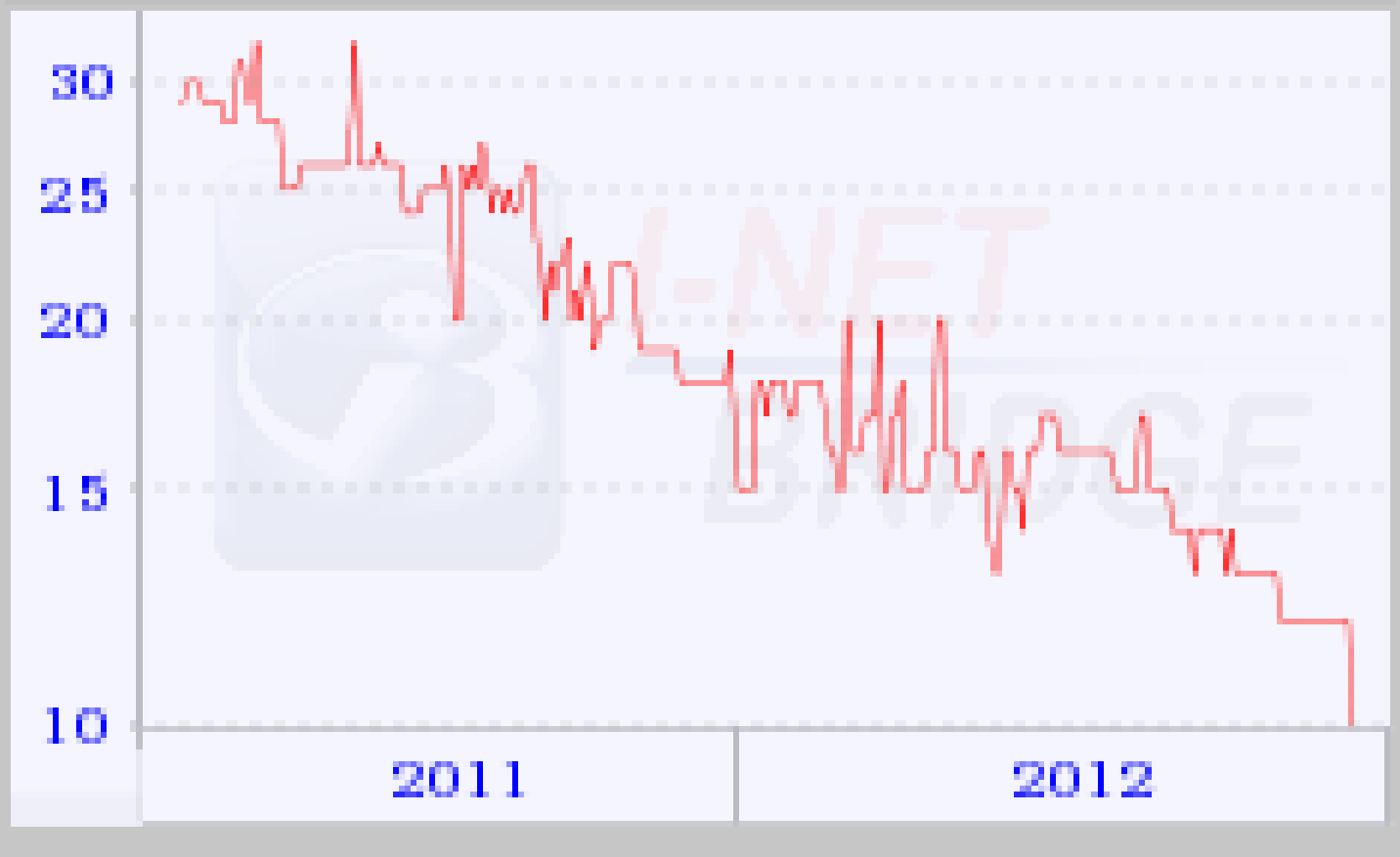
"Due to the high levels of competition within the travel and leisure sector in which The Don operates, resulting from the recent entry of numerous new hotels, as well as the expansion of existing hotels in South Africa, profit margins are being negatively impacted and the situation is becoming increasingly unsustainable for the company in the long-term.

"Accordingly, the Board has decided to apply the proceeds from the disposals to reduce interest-bearing long-term debt and to subsequently move away from owning and operating hotels and to exit the travel and leisure sector," the group said.

THE DON GROUP	07:00:02	07/12/2012
All JSE data delayed by 15 min.	10	N/A
KEY:	O N/A	C 10
O=OPEN C=CLOSE	B 11	A 12
B=BID A=ASK	H N/A	L N/A
H=HIGH* L=LOW*	YH 32	YL 10
YH=YEAR HIGH* YL=YEAR LOW*	VOL N/A	
VOL=VOLUME	P/E -0.66	YLD -151.00
P/E=PRICE/EARNINGS* YLD=YIELD*	DY N/A	
DY=DIVIDEND YIELD*		
*Calculated by I-Net Bridge		

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THE DON GROUP LTD (DAILY)



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