



**SAPPI SOUTHERN AFRICA PROPRIETARY LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1951/003180/07)*

**Issue of ZAR745,000,000 Senior Unsecured 8.06% Fixed Rate Notes due 16 April 2020  
Under its ZAR5,000,000,000 Domestic Medium Term Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 22 June 2011, prepared by Sappi Southern Africa Proprietary Limited in connection with the Sappi Southern Africa Proprietary Limited ZAR5,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*".

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

**PARTIES**

1. Issuer	Sappi Southern Africa Proprietary Limited
2. Dealer	N/A
3. Debt Sponsor	Nedbank Capital, a division of Nedbank Limited
4. Managers	Nedbank Capital, a division of Nedbank Limited Rand Merchant Bank, a division of FirstRand Bank Limited
5. Paying Agent	Nedbank Investor Services, a division of Nedbank Limited
Specified Address	2 <sup>nd</sup> Floor, Forum IV Braampark, 33 Hoofd Street, Braamfontein, 2000, South Africa
6. Calculation Agent	Nedbank Capital, a division of Nedbank Limited
Specified Address	135 Rivonia Road, Sandown, Sandton, 2196, South Africa
7. Transfer Agent	Nedbank Capital, a division of Nedbank Limited
(a) Address	135 Rivonia Road, Sandown, Sandton, 2196, South Africa
(c) Telefax Number	+27 86 505 7855

**PROVISIONS RELATING TO THE NOTES**

8.	Status of Notes	Senior Unsecured
9.	Series Number	6
10.	Tranche Number	1
11.	Aggregate Nominal Amount:	
	(a) Series	ZAR745,000,000
	(b) Tranche	ZAR745,000,000
12.	Interest	Interest-bearing
13.	Interest Payment Basis	Fixed Rate
14.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
15.	Form of Notes	Registered Notes: The Notes in this Tranche are issued in uncertificated form and held by the CSD.
16.	Issue Date	16 April 2013
17.	Business Centre	Johannesburg
18.	Additional Business Centre	N/A
19.	Nominal Amount per Note	ZAR1,000,000
20.	Specified Denomination	ZAR1,000,000
21.	Specified Currency	ZAR
22.	Issue Price	100 per cent
23.	Interest Commencement Date	16 April 2013
24.	Maturity Date	16 April 2020
25.	Applicable Business Day Convention	Modified Following Business Day
26.	Final Redemption Amount	100 percent of Nominal Amount
27.	Last Day to Register	by 17h00 on 5 April and 5 October of each year until the Maturity Date
28.	Books Closed Period(s)	The Register will be closed from 6 April to 15 April and from 6 October to 15 October (all dates inclusive) in each year until the Maturity Date
29.	Default Rate	N/A
	<b>FLOATING RATE NOTES</b>	N/A
	<b>FIXED RATE NOTES</b>	

30.	(a) Fixed Interest Rate	8.06 percent per annum payable semi-annually in arrears
	(b) Fixed Interest Payment Date(s)	16 April and 16 October of each year until the Maturity Date
	(c) Initial Broken Amount	N/A
	(d) Final Broken Amount	N/A
	(e) Any other terms relating to the particular method of calculating interest	N/A

<b>ZERO COUPON NOTES</b>	N/A
<b>PARTLY PAID NOTES</b>	N/A
<b>INSTALMENT NOTES</b>	N/A
<b>MIXED RATE NOTES</b>	N/A
<b>INDEX-LINKED NOTES</b>	N/A
<b>DUAL CURRENCY NOTES</b>	N/A
<b>EXCHANGEABLE NOTES</b>	N/A
<b>OTHER NOTES</b>	N/A
<b>PROVISIONS REGARDING REDEMPTION/MATURITY</b>	
31. Redemption at the Option of the Issuer:	Yes
32. If yes:	
(a) Optional Redemption Date(s)	any Business Day from and including 16 January 2020 to and including 15 April 2020
(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	100 percent of the Aggregate Nominal Amount, together with any accrued interest
(c) Minimum period of notice (if different from Condition 10.3 ( <i>Redemption at the Option of the Issuer</i> ))	N/A
(d) If redeemable in part:	
Minimum Redemption Amount(s)	N/A
Higher Redemption Amount(s)	N/A
(e) Other terms applicable on Redemption	The holder of these Notes grants the Issuer the right to redeem the Aggregate Nominal Amount of the Notes, together with any accrued interest, at par on any Business Day from and including 16 January 2020 to and including 15 April 2020
33. Redemption at the Option of the Senior Noteholders:	Yes, see paragraph 1 of Schedule 1 ( <i>Additional Terms and Conditions</i> ) attached hereto.
34. Redemption in the event of a Change of Control at the Option of Noteholders pursuant to Condition 10.5 ( <i>Redemption in the event of a Change of Control</i> )	Yes
35. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required).	Yes
<b>GENERAL</b>	
36. Financial Exchange	Interest Rate Market of the JSE
37. Additional selling restrictions	N/A
38. ISIN No.	ZAG000104472

39. Stock Code	SSA06
40. Stabilising manager	N/A
41. Provisions relating to stabilisation	N/A
42. The notice period required for exchanging uncertificated Notes for Certificates	N/A
43. Method of distribution	Sealed Bid Auction
44. Rating assigned to the Issuer	A+(zaf), assigned on 19 February 2013
45. Applicable Rating Agency	Fitch Southern Africa Proprietary Limited
46. Governing law (if the laws of South Africa are not applicable)	N/A
47. Other provisions	See Schedule 1 for Additional Terms and Conditions relating to the Notes

#### **DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS**

48. Paragraph 3(5)(a)  
The “*ultimate borrower*” (as defined in the Commercial Paper Regulations) is the Issuer.
49. Paragraph 3(5)(b)  
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.
50. Paragraph 3(5)(c)  
The auditor of the Issuer is Deloitte & Touche.
51. Paragraph 3(5)(d)  
As at the date of this issue:
- (i) the Issuer has issued ZAR2,650,000,000 (exclusive of this issue of Notes) Commercial Paper (as defined in the Commercial Paper Regulations) (which amount includes Notes issued under the Previous Programme Memorandum); and
  - (ii) the Issuer estimates that it may issue ZAR400,000,000 of Commercial Paper during the current financial year, ending 29 September 2013.
52. Paragraph 3(5)(e)  
All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.
53. Paragraph 3(5)(f)  
There has been no material adverse change in the Issuer’s financial position since the date of its last audited financial statements.
54. Paragraph 3(5)(g)  
The Notes issued will be listed.
55. Paragraph 3(5)(h)  
The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.
56. Paragraph 3(5)(i)  
The obligations of the Issuer in respect of the Notes are unsecured.

57. Paragraph 3(5)(i)

Deloitte & Touche, the statutory auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

**Responsibility:**

The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement contains all information required by law and the debt listings requirements of the JSE.

Application is hereby made to list this issue of Notes on 16 April 2013.

**SIGNED** at \_\_\_\_\_ on this \_\_\_\_\_ day of April 2013

For and on behalf of  
**SAPPI SOUTHERN AFRICA PROPRIETARY LIMITED**

\_\_\_\_\_  
Name: Stephen Robert Binnie  
Capacity: Director  
Who warrants his authority hereto

\_\_\_\_\_  
Name: Colin Maxwell Mowatt  
Capacity: Director  
Who warrants his authority hereto

## SCHEDULE 1

### ADDITIONAL TERMS AND CONDITIONS OF THE NOTES

The following are additional Terms and Conditions (the **Additional Terms and Conditions**) which apply to the SSA06 Notes (the **Notes**) which will be incorporated by reference into each Note.

In addition to the below, all references in the Programme Memorandum to Senior Notes shall be deemed to be references to the Notes.

#### 1. MAINTENANCE OF JSE LISTING AND RATING

1.1 The Issuer shall, for as long as the Notes remain Outstanding:

1.1.1 ensure that the Notes are listed on the Interest Rate Market of the JSE; and

1.1.2 maintain a Rating in respect of the Issuer;

1.2 If a breach of any of the undertakings in paragraphs 1.1.1 and 1.1.2 above occurs, then the Issuer shall within 3 (three) Business Days of such breach, and in accordance with Condition 18 (*Notices*), give notice (the **Issuer Redemption Notice**) to the Noteholders of such breach and the procedure for exercising the option set out in paragraph 1.3 below.

1.3 Each Noteholder may within the period ending 15 (fifteen) Business Days of receipt of the Issuer Redemption Notice (the **Election Period**), require the Issuer to redeem its Notes on:

1.3.1 the Interest Payment Date immediately following the Election Period; or

1.3.2 if the Election Period expires within a Books Closed Period, the next Interest Payment Date falling after the Interest Payment Date at the end of the Election Period,

by delivery to the Issuer of a notice (the **Noteholder Redemption Notice**) in accordance with Condition 18 (*Notices*).

1.4 The Issuer shall, in accordance with paragraph 1.3 above, redeem the Notes relevant to each Noteholder Redemption Notice at the Early Redemption Amount calculated in accordance with Condition 10.6 (*Early Redemption Amounts*), together with accrued interest (if any).

#### 2. NOTIFICATION OF NOTE PURCHASES

2.1 Where the Issuer purchases the Notes and such purchase results in the Issuer holding in aggregate more than 35% (thirty five percent) of the Nominal Amount of the Notes Outstanding, the Issuer shall inform the Noteholders of such purchase in accordance with Condition 18 (*Notices*).

2.2 Failure by the Issuer to notify the Noteholders pursuant to paragraph 2.1 above will not constitute an Event of Default and/or an Early Redemption of the Notes, as the case may be.