
APPLICABLE PRICING SUPPLEMENT



DENEL SOC LTD

(Incorporated in the Republic of South Africa with limited liability under Registration Number 1992/001337/07)

irrevocably and unconditionally guaranteed by the Government of the Republic of South Africa

**Issue of ZAR150,000,000 5.5880% Senior Unsecured Fixed Rate Notes due
7 March 2012 under its
ZAR2,200,000,000 Domestic Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Programme Memorandum dated 31 July 2007. The Notes described in this Applicable Pricing Supplement are subject to the Terms and Conditions in the Programme Memorandum. This Applicable Pricing Supplement contains the final terms of the Notes and this Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum. 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.

DESCRIPTION OF THE NOTES

1. Issuer	Denel SOC Ltd
2. Status of Notes	Unsecured Senior
3. Series Number	34
4. Tranche Number	1
5. Nominal Amount	ZAR150,000,000
6. Interest/Payment Basis	Fixed Rate
7. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
8. Form of Notes	Registered Notes
9. Issue Date	6 February 2012
10. Business Centre	Johannesburg
11. Additional Business Centre	N/A
12. Specified Denomination	ZAR1,000,000
13. Issue Price	100%
14. Interest Commencement Date	6 February 2012
15. Maturity Date	7 March 2012
16. Specified Currency	ZAR

17. Applicable Business Day Convention	Modified Following Business Day
18. Final Redemption Amount	100% of the Nominal Amount
19. Last Date to Register	by 17h00 on 27 February 2012
20. Books Closed Period(s)	The Register will be closed from 28 February 2012 until the Maturity Date
21. Default Rate	N/A

FIXED RATE NOTES

22. (a) Fixed Interest Rate	5.5880% payable in arrears
(b) Fixed Interest Payment Date	7 March 2012
(c) Initial Broken Amount	N/A
(d) Final Broken Amount	N/A
(e) Any other terms relating to the particular method of calculating	N/A

FLOATING RATE NOTES N/A

ZERO COUPON NOTES N/A

PARTLY-PAID NOTES N/A

INSTALMENT NOTES N/A

MIXED RATE NOTES N/A

INDEX-LINKED NOTES N/A

DUAL CURRENCY NOTES N/A

EXCHANGEABLE NOTES N/A

OTHER NOTES N/A

PROVISIONS REGARDING REDEMPTION/MATURITY

23. Issuer's Optional Redemption:	N/A
if yes:	
(a) Optional Redemption Date(s)	N/A
(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	N/A
(c) Minimum period of notice (if different from Condition 11.3)	N/A
(d) If redeemable in part:	N/A
Minimum Redemption Amount(s)	N/A
Higher Redemption Amount(s)	N/A

	(e) Other terms applicable on Redemption	
24.	Redemption at the Option of the Senior Noteholders: if yes:	N/A
	(a) Optional Redemption Date(s)	N/A
	(b) Optional Redemption Amount(s)	N/A
	(c) Minimum period of notice (if different from Condition 11.4)	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	N/A
	(f) Attach <i>pro forma</i> put notice(s)	
25.	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required).	N/A
26.	Coupon Redemption Calculation	N/A
GENERAL		
27.	Exchange	JSE Limited (Interest Rate Market)
28.	Calculation Agent	FirstRand Bank Limited (acting through its Rand Merchant Bank division)
29.	Paying Agent	FirstRand Bank Limited (acting through its Rand Merchant Bank division)
30.	Specified office of the Paying Agent	1 Merchant Place, corner Fredman Drive and Rivonia Road, Sandton, 2196, South Africa
31.	Transfer Agent	FirstRand Bank Limited (acting through its Rand Merchant Bank division)
	(a) Address	1 Merchant Place, corner Fredman Drive and Rivonia Road, Sandton, 2196, South Africa
	(b) Telephone Number	(011) 282 4493
	(c) Telefax Number	(011) 282 8328
32.	Debt Sponsor	Nedbank Limited (acting through its Nedbank Capital division)
	(a) Address	135 Rivonia Road, Sandton, 2196, South Africa
	(b) Telephone Number	(011) 535 4027
	(c) Telefax Number	086 554 0111

33.	Stabilising manager	N/A
34.	Provisions relating to Stabilisation	N/A
35.	Additional selling restrictions	N/A
36.	ISIN	ZAG000092610
37.	Stock Code	DENG30
38.	Method of distribution	Private Placement
39.	If syndicated, names of Managers	N/A
40.	If non-syndicated, name of Dealer	Nedbank Limited (acting through its Nedbank Capital division)
41.	Credit Rating	
	(a) assigned to Issuer (if any)	Long Term: AA(zaf) Short Term: F1+(zaf) by Fitch Southern Africa Proprietary Ltd dated 24 November 2011, to be reviewed annually
	(b) assigned to Notes (if any)	N/A
42.	Receipts attached? If yes, number of Receipts attached	No
43.	Coupons attached? If yes, number of Coupons attached	No
44.	Talons attached? If yes, number of Talons attached	No
45.	Stripping of Receipts and/or Coupons prohibited as provided in Condition 15.4	No
46.	Governing law (if the laws of South Africa are not applicable)	N/A
47.	Other Banking Jurisdiction	N/A
48.	Other provisions	The Issuer's obligations in respect of the Notes issued pursuant to this Applicable Pricing Supplement will be irrevocably and unconditionally guaranteed by the Government of the Republic of South Africa pursuant to the guarantee attached hereto as Annexure 1

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

49. Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

50. 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.

51. Paragraph 3(5)(c)

The auditor of the Issuer is Ernst & Young Incorporated.

52. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued ZAR1,845,000,000 commercial paper (inclusive of this issue); and
- (ii) to the best of the Issuer's knowledge and belief, the Issuer does not anticipate issuing notes that would exceed the ZAR1,850,000,000 of commercial paper already issued during the current financial year, ending 31 March 2012.

53. Paragraph 3(5)(f)

Save as disclosed in the Programme Memorandum, there has been no material adverse change in the financial or trading position of the Issuer since the date of the Issuer's latest 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 but guaranteed by the Government of the Republic of South Africa.

57. Paragraph 3(5)(j)

Ernst & Young Incorporated, the statutory auditors of the Issuer, have performed agreed upon procedures in respect of this issue of Notes and have issued their factual findings report in terms of ISRS 4400 - Engagements to Perform Agreed-Upon Procedures Regarding Financial Information. Their report findings did not reveal anything which indicates 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 responsibility for the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer 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 listing requirements of the JSE.

The JSE takes no responsibility for the contents of the Programme Memorandum, this Applicable Pricing Supplement, or the annual report (as amended or restated from time to time), makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the Programme Memorandum, this Applicable Pricing Supplement, or the annual report (as amended or restated from time to time). The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing

Supplement, and the annual report (as amended or restated from time to time), except as otherwise stated herein.

Application is hereby made to list this issue of Notes on the 6th of February 2012.

SIGNED at Johannesburg on this the 3rd day of February 2012.

For and on behalf of
DENEL SOC LTD
(as Issuer)



Name: F Mhlontlo
Capacity: Group Financial Director
Who warrants his authority hereto

Name:
Capacity: Group CEO
Who warrants his authority hereto

ANNEXURE 1