
APPLICABLE PRICING SUPPLEMENT



EKURHULENI METROPOLITAN MUNICIPALITY

(Established in the Republic of South Africa in terms of section 12(1) of the Local Government: Municipal Structures Act, 117 of 1998, read with Notice No 6768 of 2000 published in Provincial Gazette Extraordinary No 141 dated 1 October 2000)

Issue of ZAR815 000 000 Senior Unsecured Fixed Rate Notes (EMM01) due 28 July 2020 Under its ZAR4 000 000 000 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 on or about 23 July 2010 (“the Programme Memorandum”). 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 such Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail. To the extent that certain provisions of the *pro forma* Pricing Supplement do not apply to the Notes described herein, they may be deleted in this Applicable Pricing Supplement or indicated to be not applicable.

DESCRIPTION OF THE NOTES

1. Issuer	Ekurhuleni Metropolitan Municipality
2. Status of Notes	Senior Unsecured
3. (a) Tranche Number	1
(b) Series Number	1
4. Aggregate Principal Amount	ZAR815 000 000
5. Interest Payment Basis	Fixed Rate
6. Form of Notes	Uncertificated Notes
7. Automatic/Optional Conversion from one Interest/Payment Basis to another	N/A
8. Issue Date	28 July 2010
9. Business Centre	Johannesburg
10. Additional Business Centre	N/A
11. Specified Denomination	ZAR1 000 000
12. Issue Price	100 percent

13.	Interest Commencement Date	28 July 2010
14.	Maturity Date	28 July 2020
15.	Specified Currency	Rand
16.	Applicable Business Day Convention	Following Business Day
17.	Calculation Agent	Absa Capital, a division of Absa Bank Limited
18.	Paying Agent	Absa Capital, a division of Absa Bank Limited
19.	Specified office of the Paying Agent	15 Alice Lane, Sandton, 2196
20.	Transfer Agent	Absa Capital, a division of Absa Bank Limited
21.	Final Redemption Amount	ZAR815 000 000

FIXED RATE NOTES

22.	(a) Fixed Interest Rate	10.56 percent per annum payable semi-annually in arrear
	(b) Interest Payment Date	28 January and 28 July of each year until maturity
	(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

PROVISIONS REGARDING REDEMPTION/ MATURITY

23.	Issuer's Optional Redemption:	No
24.	Redemption at the option of the Noteholders:	No
25.	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default	Yes

GENERAL

26.	Additional selling restrictions	N/A
27.	(a) International Securities Numbering (ISIN)	ZAG000078916
	(b) Stock Code	EMM01
28.	Financial Exchange	JSE Limited
29.	If syndicated, names of managers	N/A
30.	Credit Rating assigned to Notes, the Programme and/ or the Issuer as at the Issue Date (if any)	The Issuer has been assigned a credit rating of Aa2.za by Moody's Investors Service South Africa (Proprietary) Limited ("Moody's") and a credit rating of AA- by Global Credit Rating Co. (Proprietary) Limited. The Programme has been

		assigned a credit rating of Aa2.za by Moody's
31.	Governing law (if the laws of South Africa are not applicable)	N/A
32.	Use of proceeds	The funds to be raised through the issue of the Notes are to be used by the Issuer for the purposes specified in sections 45 and 46 of the MFMA
33.	Last Day to Register	By 17h00 on the Business Day preceding the Books Closed Period
34.	Books Closed Period	The period from and including 18 January to 27 January and 18 July to 27 July but excluding the next Interest Payment Date of each calendar year, each being the 10 (ten) days prior to each Interest Payment Date and the Maturity Date, as the case may be
35.	Stabilisation Manager (if any)	N/A
36.	Other provisions	N/A

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

At the date of this Applicable Pricing Supplement:

37. Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

38. 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.

39. Paragraph 3(5)(c)

The auditor of the Issuer is the Auditor-General.

40. Paragraph 3(5)(d)

As at the date of this issue:

(a) the Issuer has not issued any Notes; and

(b) it is anticipated that the Issuer will issue additional Notes during the remainder of its current financial year in an aggregate amount not exceeding ZAR1 500 000 000.

41. Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.

42. 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.

43. Paragraph 3(5)(g)

The Notes issued will be listed, as stated in the Applicable Pricing Supplement.

44. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for the purposes specified in sections 45 and 46 of the MFMA.

45. Paragraph 3(5)(i)

The Notes are unsecured.

46. Paragraph 3(5)(j)

The Auditor-General, the auditor of the Issuer, has confirmed that nothing has come to its 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.

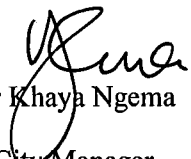
Responsibility:

The Issuer accepts responsibility for the information contained in this Applicable Pricing Supplement.

Application is hereby made to list this issue of Notes on 28 July 2010.

SIGNED at SANDTON this 23rd day of JULY 2010.

For and on behalf of
EKURHULENI METROPOLITAN MUNICIPALITY


Name : Mr Khaya Ngema

Capacity: City Manager
who warrants his authority hereto


Name : Mr Zakes Myeza

Capacity: Chief Financial Officer
who warrants his authority hereto