

Swaziland Property Investments Limited and its Subsidiary Companies

Audited results of the year ended 30 June 2015

Consolidated statement of comprehensive income

	2015 E'000	2014 E'000
Revenue	15 803	14 817
Operating expenses	(6 792)	(6 716)
Gross profit	9 011	8 101
Other income	64	51
Investment income	346	297
Profit before taxation	9 421	8 449
Taxation	(36)	(202)
Profit for the year	9 385	8 247
Other comprehensive income	-	-
Profit for the year	9 385	8 247

Consolidated statement of changes in equity

Balance at beginning of year	87 067	85 827
Profit for the year	9 385	8 247
Distribution to unit holders	(8 008)	(7 007)
Balance at end of year	88 444	87 067

Consolidated statement of financial position

Non-current assets	137 439	136 010
Investment properties	133 675	133 675
Plant and equipment	1 566	899
Deferred tax asset	16	-
Lease accrual	2 182	1 437
Current assets	11 492	11 323
Trade and other receivables	726	726
Lease accrual	62	347
Taxation prepaid	168	168
Cash and cash equivalents	10 536	10 082
Total assets	148 931	147 333
Equity and non-current liabilities	145 213	143 783
Ordinary shareholders funds	88 444	87 067
Debentures	56 265	56 265
Deferred tax	504	451
Current liabilities	3 718	3 550
Trade and other payables	3 680	3 196
Current tax liability	38	277
Bank overdraft	-	77
Total equity and liabilities	148 931	147 333

SWPROP's earnings and income ratios over the past five years are shown as follows:

	2015	2014	2013	2012	2011
Earnings per linked unit (cents)	40.37	35.47	29.21	45.31	49.09
Distribution per unit (cents)	34.44	30.14	73.44	47.85	49.94
Income yield - issue price (%)	13.78	12.06	29.37	19.14	19.98
Income yield - current price (%)	6.32	5.58	13.60	8.86	15.61

Commentary

1 SWAPROP operations

During the year, most of the Group's occupancy levels were high. This has increased revenue by 6.6%.

The Group contained expenditure despite extensive repairs and maintenance being done at The Mall, and substantial increases in insurance costs and an increase in the depreciation charge.

Against this backdrop and the difficult trading conditions the distribution of E8.0 million for the year is above that declared last year of E7.0 million.

2. Property portfolio

There remains a shortage of suitable property in which your company would like to invest, but in accordance with the Group's growth objective, the directors continue to look for attractive property investment opportunities.

3. Outlook

In the forthcoming financial year, management will strive to optimise occupancy in all of the SWAPROP's property subsidiaries and increase rental incomes and contain costs.

4. Financial statements

The financial statement for the year ended 30 June 2015 have been audited by KPMG.

5. Corporate Governance

The directors and management of Swaziland Property Investments Limited confirm their commitment to the principles of openness, integrity and accountability as advocated by sound principles of Corporate Governance contained in the King Reports.

6. Annual General Meeting

Notice is hereby given that the annual general meeting of members of Swaziland Property Investments Limited will be held at The Fridge Factory office in Matsapha on 11 December 2015 at 11H00.

7. Distribution declaration

A final distribution (number 35) of 21.53 cents per linked unit was declared on 12 November 2015 payable to unit-holders registered in the books of the company at the close of business on 11 December 2015. The transfer books and register of members will be closed on 11 December 2015 (one day) for the purpose of identifying those unitholders to whom the distribution will be made.

By order of the Board

D Litchfield

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