

Swaziland Property Investments Limited

Reviewed interim results for the six month period ended 31 December 2014

Statement of comprehensive income

	Reviewed 6 months Dec 2014 E'000	Reviewed 6 months Dec 2013 E'000	Audited 12 months Jun 2014 E'000
Revenue	6 728	6 545	13 423
Administrative expenses	(2 943)	(3 126)	(5 322)
Gross profit	3 785	3 419	8 101
Other income	27	30	50
Finance income	152	155	298
Profit before taxation	3 964	3 604	8 449
Taxation	-	-	(202)
Profit for the year	3 964	3 604	8 247

Statement of changes in equity

	143 332	142 092	142 092
Balance at beginning of year	143 332	142 092	142 092
Profit for the year	3 964	3 604	8 247
Distribution to unit holders	(4 004)	(3 003)	(7 007)
Balance at end of year	143 292	142 693	143 332

Statement of financial position

Non-current assets	137 301	136 560	136 011
Investment properties	133 675	133 652	133 675
Equipment and improvements	1 842	1 441	899
Lease accrual	1 784	1 467	1 437
Current assets	9 699	9 755	11 323
Trade and other receivables	753	1 263	1 073
Taxation prepaid	159	168	168
Cash and cash equivalents	8 787	8 324	10 082
Total assets	147 000	146 315	147 334
Equity	143 292	142 693	143 332
Ordinary shareholders funds	143 292	142 693	143 332
Non-current liabilities	451	358	451
Deferred taxation	451	358	451
Current liabilities	3 257	3 264	3 551
Trade and other payables	3 121	3 019	3 196
Current tax liability	98	168	277
Bank overdraft	38	77	78
Total equity and liabilities	147 000	146 315	147 334

Swaziland Property Investment's earnings and income ratios for the periods are shown as follows:

Earnings per share (cents)	17.05	15.50	35.47
Distribution per share (cents)	17.22	12.92	30.14
Ruling market price (cents)	545.00	540.00	540.00
Market capitalisation (E'000)	126 712	125 550	125 550

Commentary

1 Operations

During the six month period from 1 July 2014 to 31 December 2014, SWAPROP's operations were satisfactory despite the difficult trading conditions.

2. Financial results

Revenue increase by 2.6% (E183k) compared to the corresponding six month period, as a result of improved rental collections.

Operational expenses have decreased during the period. The decrease is attributed to lower advertising and lower repairs and maintenance.

Unit holders are advised that ongoing maintenance programmes at Nhlanguano Mall, the Hub and The Mall together with any impact from the present economic environment may have an effect on earnings for the forthcoming six months.

3. Statement of Compliance

The interim financial information has been drawn up under the same reporting framework as the most recent financial statements.

4. Review by the independent auditors

The interim financial information for the six months ended 31 December 2014 have been reviewed, but not audited, by KPMG Chartered Accountants (Swaziland) whose report is available for inspection at the registered office of the company.

5. Interim distribution

The interim distribution to the unit holders of SWAPROP linked units has been increased from E3 003 000 in the previous period to E4 004 000 for the six month period under review. On the basis of the December 2014 ruling price of the SWAPROP linked units on the Swaziland Stocks Exchange, the annualised income yield of the current interim distribution to unit holders is 6.32%.

6. Corporate Governance

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

7. Distribution declaration and important dates

Notice is hereby given of the declaration of distribution number 34 in respect of the income distribution period 1 July 2014 to 31 December 2014. The distribution was declared by a directors resolution on 14 April 2015. The distribution is payable to unit holders registered in the books of the company at the close of business on 15 May 2015.

The transfer books and register of members will close on 12 May 2015 for the purpose of identifying those unit holders to whom the distribution will be made.

Payment of the distribution is expected to be posted on 22 May 2015. Non-resident shareholders tax will be deducted where applicable.

On behalf of the Board

Mrs L Foster

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SPONSORING BROKERS



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AUDITORS



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