

RDC PROPERTIES LIMITED



END OF YEAR RESULTS 31st December 08

Presented by:
**Property & Asset Management
Limited**



Our Presentation

- **2008 Highlights of year end results.....**
- **Market Overview.....**
- **Prospects and developments.....**

HIGHLIGHTS OF THE FINANCIAL RESULTS..

- TURNOVER

- P 28.2 million 15% increase from P 24.6 NET OF STRAIGHT LINING
- Reduced vacancy rate from 3% to 2%.

- PROFIT FROM OPERATIONS

- P 35.44 million 43% increase from P 24.76
- Revaluation surplus 12.47 million

- PROFIT BEFORE DEBENTURE INTEREST

- P 29.60 63% increase from P 18.19 million

- DISTRIBUTION TO UNIT HOLDERS

- P 10,178 million 20% increase from P 8,509 million

- INVESTMENT PORTFOLIO

- P 229m 24% increase from P184m
 - Capital work in progress - 37 million of Masa Towers included
 - Independent valuation done for Mebala, Gabs West warehouses and Tholo properties
 - Sold Professional House for injecting capital to Masa Towers project

HIGHLIGHTS OF THE FINANCIAL RESULTS.. / continued

– ● **LONG TERM FINANCING**

– P 10 million taken extra for financing Masa Towers.

– ● **FINANCE COSTS**

– P 5.8 million 11% decrease from P 6.5 million

– ● **STOCK MARKET STATISTICS**

– Dividend yield presently is 8.89% compared TO 6.2% in June 08

– Share Price stable at P 3.50

MARKET OVER VIEW

- **2008-Good demand for rental space from all property sectors in general.**
- **Constant enquiries for retail and grade (A) office especially in good locations**
- **Witnessed the construction of new properties in Serowe -supply increased with constant demand, affected letting in this location**
- **Demand for industrial space has been slow with an oversupply to the market.**
- **In general there are new buildings coming up increasing the supply of space available, but good grade A buildings still in demand.**
- **The growth of the Botswana economy has been slow – no major impact on our portfolio is expected due to quality of buildings and quality of tenants.**



Prospects for 2009 and beyond.....

TIMELESS PARTNERSHIP

MASA TOWERS



ISALO ROCK LODGE



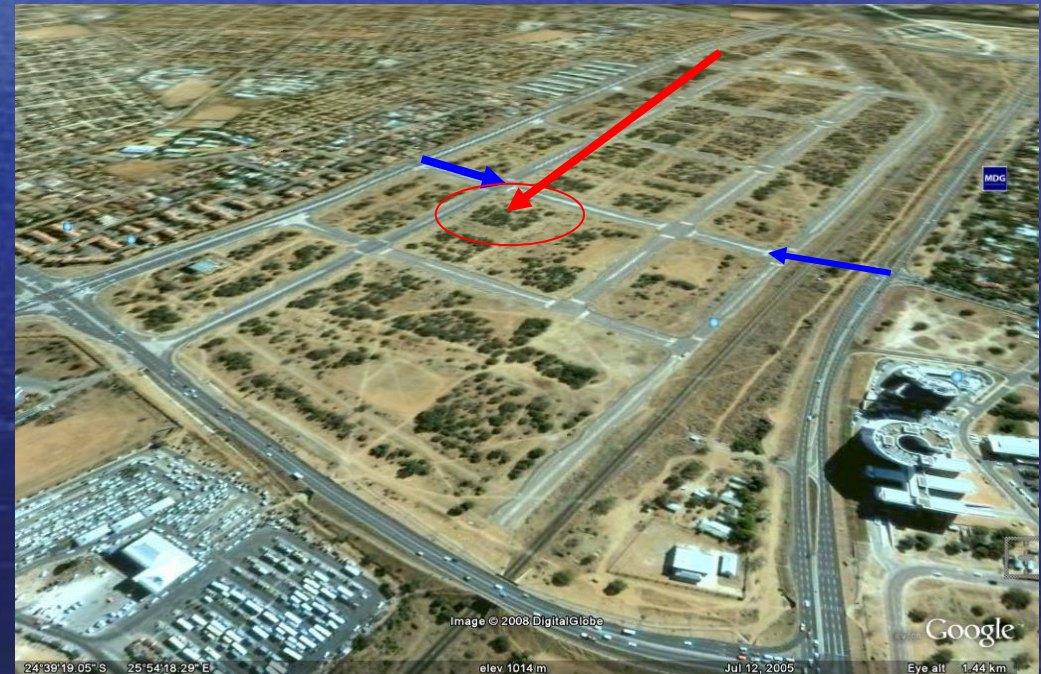
Three Partners Resorts - MASA Towers

Introduction

- Accessibility and location
 - Khama Crescent
 - Strategically located



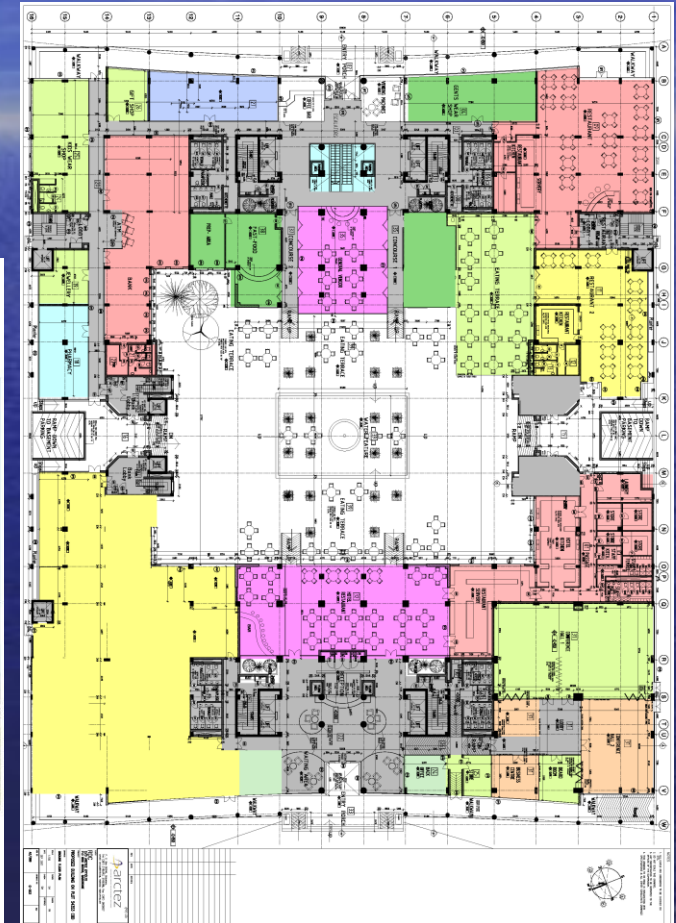
BEST LOCATION IN THE CBD



Three Partners Resorts - MASA Towers

Introduction....

- Image of the building



Three Partners Resorts - MASA Towers

Introduction....

THE FEEL AND THE LOOK



- A New Trend - Development Style
- International Brand Hotel
- “Piazza” concept with specialized retail / offices



5/17/2016

Three
Partners
Resorts



Three Partners Resorts - MASA Towers

Real Mixed use Development – First for Botswana

- **Hotel Operator – Holiday INN (Intercontinental Hotel Group)**
 - 4* New Concept
 - Restaurant and Conference facility and third floor pool
 - 160 rooms and suites
- **Restaurants and entertainment (2,500 m2):**
 - Cinema (3D digital technology)
 - Restaurants (Ribs and Rumps.. Coffee Shops.. Gelateria)
 - Entertainment facilities
- **Retail - 2,500 m2**
- **Office component – 9,150 m2**

ADDING VALUE TO THE CBD AS A WHOLE!



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Prospects for 2008 and beyond...

Masa Towers

- **Another RDC Partnership Development with 100% local companies:**
 - Shakawe (Pty) Ltd (18%), Levica (Pty) Ltd (22%) , Keboife (Pty) Ltd (8%)
- **The construction of Masa Towers commenced first quarter of 2008 and targeted completion date is end July 2010**
 - Estimated total cost P248 million for a built area of approx 42000 sq meters
 - Construction contract awarded to the lowest bidder Italtswana Construction Company (Pty) Ltd
 - Managed to pre-let 65% of space;
 - African Sun - Hotel operator - Holiday Inn, signed a lease with Capitol Cinema, negotiating with other blue chip tenants which includes an international restaurant.
 - Estimated portfolio rent increase upon completion will be in excess of P30m /year
 - Letting of retail and office space in progress.
 - Partners in the development expected to raise 40% equity before securing funding for the project.
- **First Mixed use development for Botswana including:**
 - Hotel (Holiday Inn 4 , conference facility, swimming pool)
 - Cinema (First 3D) / Food outlets / Boutiques and services / Entertainment Facilities
 - Offices

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MASA TOWERS –Construction Pictures



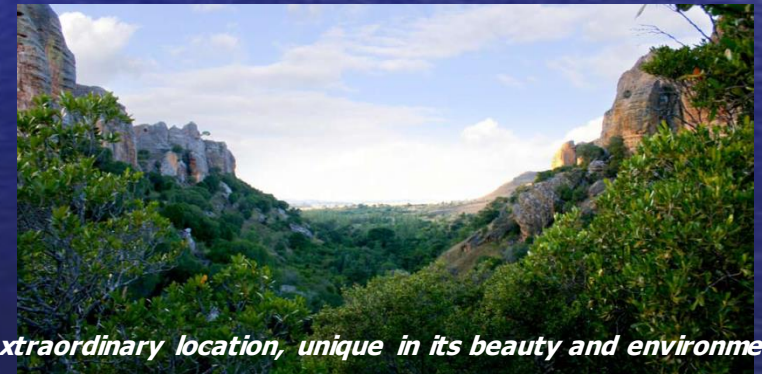
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Prospects for 2009 and beyond...

Isalo Rock Lodge

- Work on the 60 room Isalo Rock Lodge is delayed.
- Negotiations of management contract with a regional operator is at an advanced stage. Delayed opening planned due to political instability and construction delays.



-An extraordinary location, unique in its beauty and environment.



In summary...

- The year 2008 has been good for the property industry as evidenced by the growth in income of **15%** compared to last year . The results of the company have been **exceptional** Profit before debenture interest up **63%**
- The development of Masa Towers is a value addition to the company, the need is proven by the number of enquiries for space received so far.
- Looking into the future the year 2009 – year of development; year 2010 coming into stream of MASA TOWERS and Isalo Rock Lodge – hopeful that the economic down turn will have bottomed by then..
- Outside Botswana... in Madagascar we remain positive that the political situation would stabilize to enhance value to our business.
- The growth strategy of the portfolio remains our priority and we are confident this will be achieved.

RDC ICC PAM

THANK YOU

