

KHAMA CRESCENT VIEW



3/13/2006



RDC PROPERTIES LIMITED

FINAL RESULTS 2005

Presented by:
Property & Asset Management

RDC PROPERTIES LIMITED

3/13/2006



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Our Presentation

- **2005 Highlights of final results...**
- **Prospects and developments.....**

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HIGHLIGHTS OF THE FINAL RESULTS...

• INVESTMENT PORTFOLIO

- P 161,234m 17.71% increase from P136,974 m
 - ❖ INDEPENDENT VALUATIONS DONE FOR 12 PROPERTIES INCLUDING COMPLETED THOLO II;
 - ❖ STANDARD HOUSE REFURBISHMENT WORKS AT COST; INVESTMENT IN PROPCORP INCLUDED.

• TURNOVER

- P 18,736 m 3.8% increase from P18,057 m
 - ❖ PLAZA CONTRIBUTION PROVES THAT REFURBISHMENT POLICY IS IN RIGHT DIRECTION;
 - ❖ DESPITE REDUCTION OF RENT FROM STANDARD HOUSE OF P2, 070M;
 - ❖ NEW INTERPRETATION OF IAS 17 RESULTING IN RECOGNITION OF ADDITIONAL P641K.

• PROFIT FROM OPERATIONS

- P 15,135 m 10.3% increase from P13,727m
 - ❖ PROPERTY HOLDING COSTS, WELL UNDER CONTROL.

• PROFIT BEFORE DEBENTURE INTEREST AND EXCHANGE GAIN

- P 10,432 m 0.5% increase from P10, 385 m,
 - ❖ VERY PLEASING AS THE EFFECT OF THE REDUCTION OF STANDARD HOUSE IS MITIGATED

• PROFIT BEFORE TAX

- P6,469 m 39,4% increase from P4,641 m
 - ❖ EXCHANGE GAIN FROM EURO RENTALS AND FOREIGN CURRENCY LOANS TO MADAGASCAR.

• DISTRIBUTION TO UNIT HOLDERS

- P6,380 m up 1,2% from 6,304 m

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HIGHLIGHTS OF THE FINAL RESULTS... / continued

- **MADAGASCAR shopping center contributing very positively:**

- P 965k 5% Growth in contribution;
- P751k Starting to repay not only interest but Capital portion of our loans

- **CHOBE MARINA LODGE**

- 45% GROWTH IN CONTRIBUTION FROM LAST YEAR
- 3,1% CONTRIBUTION TO Bottom line Profit; against an investment of 2,1% in value.

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PROSPECTS FOR 2005 AND BEYOND...

TIMELESS PARTNERSHIP...



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Prospects for 2006 and beyond...

- **THE STANDARD HOUSE REFURBISHMENT** – planned for completion end of March 2006 :

– Create the opportunity to:

- Increase the rentable space of the building 34%.
- Estimated rent increase on rent without refurbishment 66%.
- New modern GRADE A building – BEST IN TOWN.
- Building with a new car park - trend setting for the MALL.
- Secured major anchor tenants: Standard Chartered – Met life – AED AND OTHERS expected fully let by april.

- **THOLO II**

- Project completed in June 2005 currently occupied by Standard Chartered Bank;
- Lease for half the building already signed with Government Industrial Affairs-Occupation in April 2006;
- Major NGO earmarked to occupy other half.

- **ISALO LODGE**

- Protocole with the Government of Madagascar signed in 2005
- Construction to start 2006 – completion expected 2007

- **RSA**

- Company has signed a MOU investigating potential developments in RSA

PROSPECTS FOR 2006 AND BEYOND...

- **Planning for the CBD developments is on going.**
 - Preparing for when the market demand is more favourable.
- **Take advantage of opportunities out of Botswana**
 - Where we believe there is more scope for growth;
 - Where the GROUP has a presence.
- **Special projects and refinancing.**
 - Agreement to obtain 4 hectares of land, near Isalo National Park, with Ministry of Tourism in Madagascar;
 - 40 room lodge to be completed by 2007-RDC will own 50% of the property;
 - We are always looking out for properties that would add value to the Botswana portfolio; (natural shift from a developing market to a more mature market);
 - RDC is considering a number of different options for the financing of these special projects.

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In summary...

- THE YEAR 2005 HAS BEEN A TRANSITION YEAR.. Much better than expected
- THE YEAR 2005 HAS PROVED THAT OUR REFURBISHMENT AND DEVELOPMENT PLANS ARE IN THE RIGHT DIRECTION.
- WE LOOK FORWARD TO POSITIVE RESULTS FOR 2006 AND BEYOND..
- LOOKING OUT SIDE BOTSWANA...

THANK YOU



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RDC **ICC** **PAM**