



## RDC PROPERTIES LIMITED

Registration Number 96/592 (Incorporated in the Republic Of Botswana)

Directors: MA Giachetti (Chairman)\*, GR Giachetti (Managing)\*, G Giachetti\*, N Gaolathe, L Magang, GW Matenge, J.S Stewart\*\*  
\* Italian \*\* British

### HIGHLIGHTS – Un-audited Financial Results for the half year ended 30 June 2009

- > REVENUE UP 5.30%; PROFIT FROM OPERATIONS UP BY 10.67%
- > TOTAL DISTRIBUTION TO LINKED UNIT HOLDERS UP 17.95%;
- > INVESTMENT AND PROPERTY PORTFOLIO UP BY 42.27%, NOW STANDS AT P 272.26 million
- > PROJECTS IN PROGRESS:- MASA CENTRE, ISALO ROCK LODGE

ABRIDGED INCOME STATEMENT	30-Jun-2009 P000's	30-Jun-2008 P000's	
Revenue	14,429	13,703	5.30%
Operating expenses	(3,142)	(3,504)	
<b>Profit from operations</b>	<b>11,287</b>	<b>10,199</b>	<b>10.67%</b>
Other income	374	221	
Exchange gain/(loss)	(1,438)	620	
Net Finance costs	(2,338)	(2,926)	
<b>Profit before Debenture Interest and Tax</b>	<b>7,884</b>	<b>8,114</b>	<b>-2.84%</b>
Debenture interest	(4,390)	(3,722)	17.95%
<b>Profit before taxation</b>	<b>3,494</b>	<b>4,392</b>	<b>-20.45%</b>
Taxation	(395)	(331)	
<b>Profit after taxation</b>	<b>3,099</b>	<b>4,061</b>	<b>-23.70%</b>
Minority interest	(530)	(384)	
<b>Net profit for the period</b>	<b>2,569</b>	<b>3,677</b>	
Dividend	(88)	(74)	17.95%
<b>Retained profit</b>	<b>2,481</b>	<b>3,603</b>	
Average weighted number of linked units in issue	32,372,329	32,372,329	
<b>Earnings per linked unit (thebe)</b>	<b>23.13</b>	<b>24.04</b>	<b>-3.78%</b>
Interim dividend (thebe)	0.27	0.23	
Interim debenture interest (thebe)	13.56	11.49	
<b>Total distribution</b>	<b>13.83</b>	<b>11.72</b>	<b>17.95%</b>

ABRIDGED BALANCE SHEET			
<b>Assets</b>			
Plant and equipment	1,956	4,181	
Investment properties	261,255	176,633	47.91%
Investments	9,056	10,553	
Current assets	16,247	6,046	
<b>Total Assets</b>	<b>288,514</b>	<b>197,413</b>	
<b>Equity and Liabilities</b>			
Unitholders' funds	125,725	111,999	
Minority interest	45,737	9,167	
Long term borrowings	69,029	43,554	
Deferred taxation	17,939	15,265	
Current liabilities	30,084	17,428	
<b>Total equity and liabilities</b>	<b>288,514</b>	<b>197,413</b>	

CASHFLOW STATEMENT			
Profit from operations	11,287	10,819	
Adjustment for non cash items	88	567	
Working capital changes	10,144	1,139	
Interest paid	(2,338)	(2,926)	
Investment Income	374	221	
Dividend and Debenture interest paid	(3,796)	(5,104)	
Taxation paid	(228)	(390)	
<b>Cash generated from operations</b>	<b>15,530</b>	<b>4,326</b>	
Purchase of plant and equipment	2,225	(38)	
Additions to investment properties	(84,621)	(1,214)	
(Increase)/decrease in investments	1,497	(6,149)	
Net loans raised/(Repaid)	26,730	(2,053)	
Repayments to Minority shareholder	47,751	(146)	
<b>Net increase/ (decrease ) in cash and cash equivalents</b>	<b>9112</b>	<b>(5,274)</b>	
Cash and cash equivalents beginning of the period	(5,549)	(275)	
<b>Cash and cash equivalents end of the period</b>	<b>3,563</b>	<b>(5,549)</b>	

STATEMENT OF CHANGES IN EQUITY			
Balance brought forward	121,166	118,404	
Foreign subsidiary translation adjustment	(1,259)	229	
Net movement in non distributable reserves	(3)	0	
Net movement in minority interest	48,395	237	
Net movement in distribution	682	(1,308)	
Retained income for period	2,481	3,604	
<b>Balance at 30 June 2009</b>	<b>171,462</b>	<b>121,166</b>	

### COMMENTS and PROSPECTS

We are pleased to present the RDC Properties Limited unaudited financial results for the period ended 30 June 2009. The Groups' gross income registered a healthy growth of 5.30%, increasing from P13, 703 million in the previous year to P14, 429 million.

Profit from Operations increased to P11, 287 million, representing an increase of 10.67%. A reduction in Net Profit Before Debenture Interest from P8, 115 million to P7, 884 million was experienced, largely due to exchange losses made on offshore investments in Madagascar, due to the appreciation of the Pula against the USD during the last six months.

We are happy to report a significant increase in distribution to linked-unit holders of 17.95%, due to the combined effect of the reduction in finance costs and increase in turnover.

In spite of turbulent property markets in most parts of the world, the Botswana Property market is holding up. The property portfolio continues to perform well with overall vacancy at 1.73% and the Group is working towards doubling its rental role with the development of the Masa Centre.

The Masa Centre is a jewel in the Groups' property portfolio and the first mixed use development in Botswana. The Centre lays a legitimate claim to many firsts. African Sun Limited will enter the Botswana market for the first time through the re-introduction of the Holiday Inn brand. Capital Entertainment Centre (Pty) Limited will introduce the first 3D movie house to its audiences at the Masa Centre. The Masa Centre continues to attract international retail brands that will delight trendsetters with a love for style and glamour.

The Group consistently aims to realise meaningful citizen participation in its developments. The Masa Centre is no exception to this investment philosophy, representing a partnership with three citizen consortia being Shakawe, Lavica and Keboife Holdings.

A targeted marketing campaign is ongoing to ensure the Masa Centre becomes home for an exciting mix of multinational corporate and international retail brands. For more information on letting opportunities contact: [masacentre@rdc.bw](mailto:masacentre@rdc.bw)

The Isalo Rock Lodge will be completed by end November 2009. The Group is pleased to announce that an agreement for the management of the Lodge has been concluded with Signature Life, a company managed by Mr.A.Vels, well known in the regional hospitality business.

In order to cost efficiently managed offshore investments, in particular the Madagascar assets, RDC Properties Limited is in the process of acquiring a Botswana International Financial Services (IFSC) Company. The Company, presently owned by the controlling shareholders of RDC Properties, has no liabilities and will be acquired for a net consideration of P 158 760 representing the estimated cost of setting up a new IFSC company.

### DISTRIBUTION TO LINKED UNIT HOLDERS

Notice is hereby given that an interim dividend of 0.27 thebe per share and interest of 13.56 thebe per debenture has been declared. This dividend and interest will be payable on the 31 October 2009 to those linked unit-holders registered at the close of business on 25 September 2009. **In light of the Masa Centre development, it is the intention of the directors to propose to those linked unit holders who qualify an elective distribution of 50% of the net final distribution by way of capitalisation option. Details of this option will be circulated to unit holders. The option will open on the 28 September 2009 and will close on the 16 October 2009. The listing of the new units on the Botswana Stock Exchange will occur on the 30 October 2009.** In terms of the Republic of Botswana Income Tax Act as amended, withholding tax at a rate of 15% will be deducted by the company from all dividends paid and also from interest paid to foreign registered unit holders. As per amended Seventh Schedule to the Income Tax Act, withholding tax of 10% on interest to a resident for amounts in excess of P 1 500.00 per quarter, will be deducted wherever applicable.

By order of the Board  
G.R Giachetti  
Gaborone August 04, 2009