

Swaziland Property Investments Limited

(Incorporated in the Kingdom of Swaziland)

Registration Number: 478 of 1996 Listed on the Swaziland Stock Exchange (SSX) Share code : SWAPROP ISIN code SZ0005797946

Reviewed interim results for the six month period ended 31 December 2017

Statement of comprehensive income

	Reviewed 6 months Dec 2017 E'000	Reviewed 6 months Dec 2016 E'000	Audited 12 months Jun 2017 E'000
Revenue	9 189	9 231	17 431
Administrative expenses	(3 684)	(4 333)	(7 579)
Gross profit	5 505	4 898	9 852
Other income	26	66	108
Fair value adjustment	-	-	(30)
Finance income	360	348	749
Profit before taxation	5 891	5 312	10 679
Taxation	-	-	(38)
Profit for the period	5 891	5 312	10 641

Statement of changes in equity

Balance at beginning of period	145 624	144 992	144 993
Profit for the year	5 891	5 312	10 641
Distribution to unit holders	-	(5 005)	(10 010)
Balance at end of period	151 515	145 299	145 624

Statement of financial position

Non-current assets	136 405	136 097	136 311
Investment properties	135 020	134 392	135 020
Equipment and improvements	294	617	326
Deferred tax asset	17	4	17
Lease accrual	1 074	1 084	948
Current assets	19 268	13 646	13 413
Trade and other receivables	627	1 142	446
Lease accrual	8	42	134
Taxation prepaid	529	168	168
Cash and cash equivalents	18 104	12 294	12 665
Total assets	155 672	149 743	149 724
Equity and liabilities			
Ordinary shareholders funds	151 515	145 299	144 993
Deferred taxation	179	164	179
Current liabilities	3 978	4 280	3 921
Trade and other payables	3 943	3 535	3 850
Current tax liability	35	37	71
Bank overdraft	-	708	-
Total equity and liabilities	155 672	149 743	149 724

Statement of cash flows

Cash at beginning of period	12 665	12 282	12 282
Cash from operating activities	5 439	5 026	12 007
Cash from investing activities	-	(717)	(1 614)
Cash from financing activities	-	(5 005)	(10 010)
Cash at end of period	18 104	11 586	12 665

SWAPROP's ratios for the periods are shown as follows:

Earnings per share (cents)	25.07	22.85	45.90
Distribution per share (cents)	0.00	21.53	43.05

During the period under review no distribution was paid to unit holders. The distribution relating to the period was paid during January 2018.

Commentary

1. Operations

During the six month period from 1 July 2017 to 31 December 2017, SWAPROP's operations were satisfactory despite the difficult trading conditions.

During the period under review the property and financial management activities of the Group were transferred from Tricor to Swaki.

The ruling market price for the company's shares was E6.00 (E5.45).

The market capitalisation of the company stands at E139.5 million (E126.7 million)

Revenue decreased by 0.5% (E41 868) compared to the corresponding six month period, as a result of marginally lower occupancy levels.

Operational expenses have been reduced by 13.5% (E586 512). This is due to savings in insurance expense and repairs and maintenance.

2. Statement of Compliance

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

3. Review by the independent auditors

The interim financial information for the six months ended 31 December 2017 has been reviewed, but not audited, by KPMG Chartered Accountants (Swaziland) whose report is available for inspection at the registered office of the company.

4. Interim distribution

The interim distribution to the unit holders of SWAPROP linked units for the half year ended 31 December 2016 was E5 005 000. The directors have proposed a distribution of E5 005 000 for the six month period under review.

5. 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.

6. Distribution declaration and important dates

Notice is hereby given of the declaration of distribution number 40 in respect of the income distribution period 1 July 2017 to 31 December 2017 amounting to 21.53 cents per linked unit. The distribution was declared by a directors' resolution on 18 June 2018. The distribution is payable to unit holders registered in the books of the company at the close of business on 13 July 2018.

The transfer books and register of members will close on 12 July 2018 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 13 July 2018. Non-resident shareholders tax will be deducted where applicable.

On behalf of the Board

D Litchfield

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