



NEW AFRICAN PROPERTIES

NEW AFRICAN PROPERTIES LTD AND ITS SUBSIDIARY

"the Group" or "New African Properties" or "NAP"

Incorporated in the Republic of Botswana, Company No. Co 2008/545

BSE share code: NAP

ISIN code: BW 000 000 1049

www.newafricanproperties.co.bw

UNAUDITED INTERIM FINANCIAL RESULTS

For the 6 months ended 31 January 2015

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 6 months to 31.01.2015 P000's	Unaudited 6 months to 31.01.2014 P000's	Audited 12 months to 31.07.2014 P000's
Revenue	71 352	68 197	137 102
Contractual lease rental	69 550	64 661	130 793
Rental straight line adjustment	1 802	3 536	6 309
Other income	1 033	1 583	1 588
Operating expenses	(13 696)	(13 775)	(26 972)
Operating profit	58 689	56 005	111 718
Net finance income	2 181	2 879	6 648
Finance income	3 393	4 261	9 262
Finance expense	(1 212)	(1 382)	(2 614)
Net income from operations	60 870	58 884	118 366
Investment property fair value adjustment	34 700	25 961	112 921
At fair value	36 502	29 497	119 230
Rental straight line adjustment	(1 802)	(3 536)	(6 309)
Financial asset fair value adjustment	607	(2 542)	(965)
Amortisation of intangible asset	(441)	(441)	(881)
Share of associate's profit	2 244	1 543	5 649
Profit before taxation	97 980	83 405	235 090
Taxation	(8 582)	(2 977)	(24 035)
Profit after taxation	89 398	80 428	211 055
Other comprehensive income			
Currency translation reserve	885	(3 311)	(2 522)
Total comprehensive income	90 283	77 117	208 533
Linked units in issue	604 397 124	604 397 124	604 397 124
Earnings per linked unit (thebe)	14.79	13.30	34.92
Distribution per linked unit (thebe)			
Interest	8.63	8.61	16.87
Dividend	0.88	0.32	1.12
Total	9.51	8.93	17.99

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 31.01.2015 P000's	Unaudited 31.01.2014 P000's	Audited 31.07.2014 P000's
ASSETS			
Non-current assets			
Investment property	1 144 807	1 021 258	1 109 920
At fair value	1 171 289	1 043 150	1 134 598
Rental straight line adjustment	(26 482)	(21 892)	(24 678)
Investment in associate	15 888	9 539	13 645
Financial asset	19 709	17 524	19 102
Intangible asset	9 990	10 871	10 431
Rental straight line adjustment	25 471	17 367	23 970
	1 215 865	1 076 559	1 177 068
Current assets			
Trade and other receivables	90 257	65 677	87 507
Tax receivable	1 258	1 875	2 523
Rental straight line adjustment	1 011	4 525	708
Cash and cash equivalents	45 383	65 794	44 997
	137 909	137 871	135 735
TOTAL ASSETS	1 353 774	1 214 430	1 312 803
EQUITY AND LIABILITIES			
Capital and reserves	1 197 515	1 084 547	1 107 232
Non-current liabilities	29 053	31 529	30 209
Borrowings	104 769	77 916	97 623
Deferred taxation	133 822	109 445	127 832
Current liabilities	20 115	18 466	20 742
Trade and other payables	2 322	1 972	2 239
Borrowings short term portion	-	-	54 758
Distributions payable to unitholders	22 437	20 438	77 739
TOTAL EQUITY AND LIABILITIES	1 353 774	1 214 430	1 312 803

COMMENTARY

RESULTS

Distributable income for the 6 months to 31 January 2015 amounts to P57.4 million or 9.50 thebe per linked unit. The increase is attributable to an 8.4% increase in net operating income which has been diluted to 6.5% by lower investment income and higher taxes.

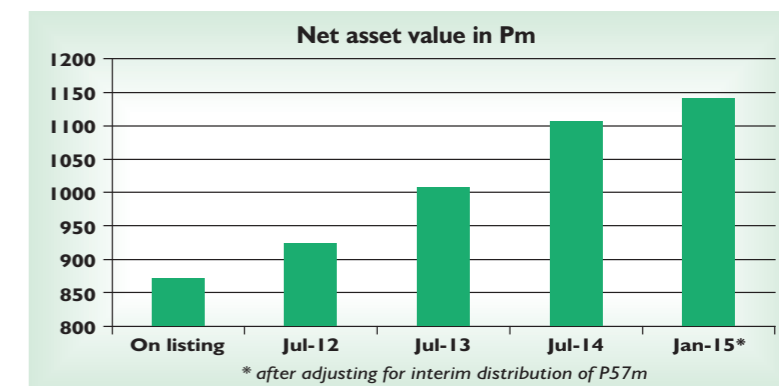
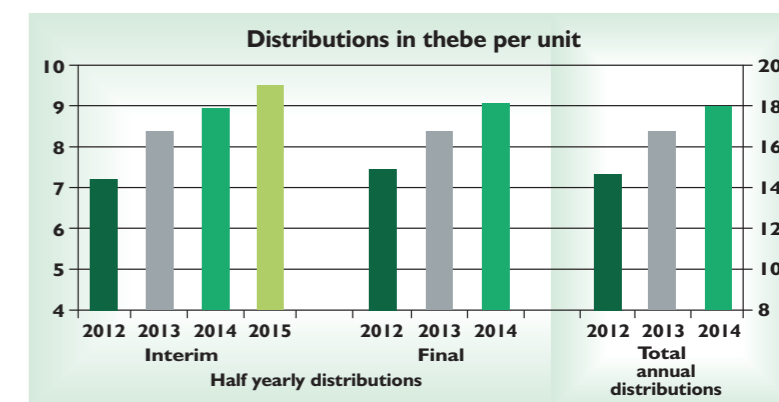
The tax charge last year was favourably impacted by a reduction in the Namibian tax rate which resulted in a reversal of part of the deferred tax liability. In addition a forex loss of P0.7 million, forming part of distributable income, arises from the cumulative loss on the loan to the Namibian subsidiary and is not expected to recur.

Operating profits before rent straight lining have increased to 82% of contractual income as a result of a reduction in debtors' impairments and the ongoing management of net property expenses.

After tax profit for the period reflects an 11.2% increase. This includes higher after tax fair value and other accounting adjustments that do not result in cash flows and are therefore excluded from distributable income and distributions.

PERFORMANCE TRENDS

NAP has once again delivered on its objective of providing stable, growing income streams to investors.



The contractual property net rental growth continues to be sound and the board remains confident of achieving distribution growth approximating rental escalations.

PROPERTY PORTFOLIO

There have been no changes in the portfolio during the period under review. Directors valued the property portfolio at 31 January 2015 at a net P1.17 billion before rental straight line adjustments, resulting in a fair value adjustment of P36.5 million which equates to a 3.2% increase on the 2014 year end valuation.

Vacancies at the end of January represent 3.2% of gross lettable area which is an improvement on the 3.7% at the start of the current financial year.

DISTRIBUTION DECLARATION

Distribution number 7 amounting to 9.51 thebe per linked unit, comprising 8.63 thebe interest and 0.88 thebe dividend has been declared and is payable to unitholders registered on 15 May 2015. The key dates for this distribution are:

Record date to participate in distribution: 15 May 2015
Payment: 5 June 2015

Withholding tax will be deducted at relevant rates where applicable.

For New African Properties Limited

J.T. Mynhardt
Chairman
24 April 2015

T.L.J. Mynhardt
Managing Director

Transfer Secretaries

Grant Thornton Business Services (Pty) Ltd
Plot 50370 Acumen Park
Gaborone, Botswana
(PO Box 1157, Gaborone, Botswana)

Company Secretary

DPS Consulting Services (Pty) Ltd
Plot 50371, Fairground Office Park
Gaborone, Botswana
(PO Box 1453, Gaborone, Botswana)

Directors: J.T. Mynhardt (Chairman), T.L.J. Mynhardt (Managing Director), F.B. Lebalala, J.P. McLoughlin#, L.C. Tapping# (Chief Financial Officer), S. Venkatakrishnan*
South African, * Indian

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital P000's	Debentures P000's	Total linked units P000's	Foreign currency translation reserve P000's	Non distributable retained income P000's	Distributable retained income P000's	Total P000's
Unaudited 6 months to 31 January 2014							
Balance at 31 July 2013	8 719	863 105	871 824	(5 812)	140 589	829	1 007 430
Transactions with owners							
Distributions declared	-	-	-	-	-	(53 973)	(53 973)
Distributions not yet paid	-	-	-	-	-	53 973	53 973
Comprehensive income							
Comprehensive income for the period	-	-	-	(3 311)	26 455	53 973	77 117
Transfer of non-distributable amounts net of related taxes	-	-	-	(3 311)	-	80 428	77 117
Balance at 31 January 2014	8 719	863 105	871 824	(9 123)	167 044	54 802	1 084 547
Audited 12 months to 31 July 2014							
Balance at 31 July 2013	8 719	863 105	871 824	(5 812)	140 589	829	1 007 430
Transactions with owners							
Distributions declared	-	-	-	-	-	(108 731)	(108 731)
Comprehensive income							
Comprehensive income for the period	-	-	-	(2 522)	102 053	109 002	208 533
Transfer of non-distributable amounts net of related taxes	-	-	-	(2 522)	-	211 055	208 533
Balance at 31 July 2014	8 719	863 105	871 824	(8 334)	242 642	1 100	1 107 232
Unaudited 6 months to 31 January 2015							
Balance at 31 July 2014	8 719	863 105	871 824	(8 334)	242 642	1 100	1 107 232
Transactions with owners							
Distributions proposed	-	-	-	-	-	(57 478)	(57 478)
Distributions not yet paid	-	-	-	-	-	57 478	57 478
Comprehensive income							
Comprehensive income for the period	-	-	-	885	31 962	57 436	90 283
Transfer of non-distributable amounts net of related taxes	-	-	-	885	-	89 398	90 283
Balance at 31 January 2015	8 719	863 105	871 824	(7 449)	274 604	58 536	1 197 515

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 6 months to 31.01.2015 P000's	Unaudited 6 months to 31.01.2014 P000's	Audited 12 months to 31.07.2014 P000's
Net cash from operating activities	4 930	936	6 353
Cash generated from operations	57 683	49 092	106 784
Net finance income	2 181	2 879	6 648
Distributions paid to linked unitholders	(54 758)	(50 709)	(104 682)
Taxation paid	(176)	(326)	(2 397)
Net cash from investing activities	(3 471)	33 006	7 845
Investment property acquired / improved	(54)	(306)	(841)
Movement in related party receivable	(3 417)	33 312	8 686
Net cash from financing activities	(1 073)	(966)	(2 019)
Borrowings decreased	(1 073)	(966)	(2 019)
Net change in cash and cash equivalents	386	32 976	12 179
Cash and cash equivalents at beginning of the year	44 997	32 818	32 818
Cash and cash equivalents at end of period	45 383	65 794	44 997

NOTES

- The accounting policies are consistent with those used in the previous financial year.
- The Group's business activities are concentrated in the retail property rental segment and are primarily carried out within Botswana.
- Distribution attributable to linked unitholders is reconciled to comprehensive income as follows:

	Unaudited 6 months to 31.01.2015 P000's	Unaudited 6 months to 31.01.2014 P000's	Audited 12 months to 31.07.2014 P000's
Total comprehensive income	90 283	77 117	208 533
Exclude: Foreign currency translation difference	(885)	3 311	2 522
Net profit	89 398	80 428	211 055
Less: Fair value adjustments net of tax	(29 462)	(22 630)	(92 983)
Add: Amortisation adjustments	441	441	881
Less: Share of associate's net profit	(2 244)	(1 543)	(5 649)
Less: Rental straight line adjustment net of tax	(1 387)	(2 723)	(4 865)
Add: Other non-distributable tax charges	690	-	563
Distributable earnings for current period	57 436	53 973	109 002
Distributions	(57 478)	(53 973)	(108 731)
Net income (utilised) / retained	(42)	-	271