



INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 MARCH 2001

Consolidated income statements

for the six months ended 31 March 2001

	Unaudited March 2001 R'000	Unaudited March 2000 R'000	% change	Audited September 2000 R'000
Turnover	56 342	36 268	55,35	91 362
Operating expenses	(18 254)	(8 213)	122,26	(25 057)
Operating profit	38 088	28 055	35,76	66 305
Net interest paid	(34 142)	(25 792)	32,37	(62 785)
Net income before taxation	3 946	2 263	74,37	3 520
Taxation	(232)	-		579
Net profit for the year	3 714	2 263	64,12	4 099
Fully diluted earnings per share (cents)	1,92	1,67	14,93	3,00
Dividend per share (cents)	0,01	-	-	-
Weighted average number of shares in issue ('000)	193 500	135 141		136 675

Consolidated statement of changes in equity

	Total R'000	Share capital R'000	Share premium R'000	Shares to be issued R'000	Retained profit/ (Accumulated loss) R'000
Balance at 30 September 1999	120 058	579	116 392	3 483	(396)
Issue of shares net of expenses	173 003	1 176	175 310	(3 483)	-
Liability in respect of shares to be issued	26 960	-	-	26 960	-
Adjustment to the value of properties**	(170 694)	-	(170 694)	-	-
Net profit for the year	4 099	-	-	-	4 099
Opening deferred tax adjustment*	9 846	-	-	-	9 846
Balance at 30 September 2000	163 272	1 755	121 008	26 960	13 549
Issue of shares	0	105	20 739	(20 844)	-
Write-off of shares to be issued	(75)	-	-	(75)	-
Net profit for the year	3 714	-	-	-	3 714
Dividend paid	(1 860)	-	-	-	(1 860)
Balance at 30 March 2001	165 051	1 860	141 747	6 041	15 403

*Deferred tax assets not previously raised are now brought into account in terms of the revisions to AC 102.

**The adjustment to the value of the properties set-off against share premium.

Review of activities

During the period under review, the property portfolio achieved a gross rental income of R56 342 million (2000:R36 268 million). The net profit after tax was R3 714 million (2000: R2 263 million).

At the end of the period under review, the portfolio had a vacancy rate of 3,7% based on gross lettable area (2000: 2,7%).

Fully diluted headline earnings per share has increased from 1,67 cents per share to 1,92 cents per share, representing an increase of 14,9%. Net asset value per share has decreased from 175 cents per share to 89 cents per share, a reduction of 49%, which is due to the write-down of

Consolidated balance sheets as at 31 March 2001

	March 2001 R'000	March 2000 R'000	September 2000 R'000
ASSETS			
Non-current assets	664 085	717 536	660 496
Fixed assets and investment properties	649 311	716 054	646 951
Deferred taxation	10 739	-	10 739
Debt redemption scheme	4 035	1 482	2 806
Current assets	4 550	2 633	4 363
Total assets	668 635	720 169	664 859
EQUITY AND LIABILITIES			
Capital and reserves	165 051	289 092	163 272
Share capital	1 860	1 505	1 755
Share premium	141 747	242 650	121 008
Shares to be issued	6 041	43 070	26 960
Distributable reserves	15 403	1 867	13 549
Non-current liabilities	487 298	419 948	483 780
Debentures	7 766	10 359	7 876
Long-term liabilities	479 328	409 589	475 705
Deferred taxation	204	-	199
Current liabilities	16 286	11 129	17 807
Total equity and liabilities	668 635	720 169	664 859

Abridged consolidated cashflow statements

	March 2001 R'000	March 2000 R'000	September 2000 R'000
Net cash (outflow)/inflow from operating activities	(1 217)	505	10 279
Net cash outflow from investing activities	(3 589)	(411 330)	(516 648)
Net cash inflow from financing activities	3 513	409 163	507 313
Net decrease in cash resources	(1 293)	(1 662)	944
Net in cash resources at beginning of period	398	(546)	(546)
Net in cash resources at end of period	(895)	(2 208)	398

to be registered as a Bonatla shareholder on Friday, 17 August 2001. Payment in respect of the dividend will be made as soon as possible thereafter. Bonatla shares will be trading ex-dividend from Monday, 13 August 2001.

Management

As of 1 April 2001, the management of Bonatla's property portfolio is being undertaken by Catalyst Holdings (Pty) Ltd.

The decision to outsource management was prompted by rapid growth of the portfolio, and is in line with international trends. As an expression of confidence in Bonatla's future, Catalyst Holdings has subscribed for eight million compulsory convertible debentures of R1,00 each.

As previously announced, the board has been reconstituted to reflect changes in management. The board now consists of Messrs M H Brodie, J Broll, R du Plooy, J Styger, M Viljoen, N G Vontas and B J van der Ross. B J van der Ross has succeeded M H Brodie as chairman.

Opening deferred tax adjustment*	9 846	–	–	–	9 846
Balance at 30 September 2000	163 272	1 755	121 008	26 960	13 549
Issue of shares	0	105	20 739	(20 844)	–
Write-off of shares to be issued	(75)	–	–	(75)	–
Net profit for the year	3 714	–	–	–	3 714
Dividend paid	(1 860)				(1 860)
Balance at 30 March 2001	165 051	1 860	141 747	6 041	15 403

*Deferred tax assets not previously raised are now brought into account in terms of the revisions to AC 102.

**The adjustment to the value of the properties set-off against share premium.

Review of activities

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Fully diluted headline earnings per share has increased from 1,67 cents per share to 1,92 cents per share, representing an increase of 14,9%. Net asset value per share has decreased from 175 cents per share to 89 cents per share, a reduction of 49%, which is due to the write-down of the property portfolio by R171 million against share premium on September 2000.

Significant progress has been made with respect to the renewal of major leases within the portfolio, resulting in a much improved lease expiry profile.

Prospects

The prospects for the remaining six months of the financial year and beyond include the opportunity of reducing the average cost of gearing by restructuring existing mortgage bonds. Furthermore the company continues to reduce debt by the repayment of capital.

This would increase the profit and enhance the prospects for dividends in future, while maintaining Bonatla’s strategy not to speculate with interest rates.

The profitability of the company is expected to continue improving as the benefits of the recent acquisitions continue to materialise.

Dividends

The directors have decided to pay a dividend of 1 cent per Bonatla share. Bonatla shareholders are advised that the last day to trade in Bonatla shares will be on Friday, 10 August 2001, in order

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Subsequent events

Subsequent to the period under review, a number of long outstanding matters have been resolved.

The dispute with the Triplan group, a vendor of properties, regarding the payment of a portion of the purchase price for one property, has been resolved.

The payment of outstanding amounts relating to the acquisition of properties known as the Graydon properties from the vendors has been settled. Payments in terms of the settlement agreement have commenced.

The outstanding issues regarding the acquisition of VLC Properties (Pty) Ltd, as disclosed in the circular dated December 1999, the annual report for the year ended September 2000 and the circular dated June 2001, are being investigated, and it is expected that these issues will be resolved within the next three months.

29 June 2001