


**BONATLA PROPERTY HOLDINGS LIMITED**

(Incorporated in the Republic of South Africa)  
(Registration number 1996/014533/06)  
Share code: BNT ISIN code: ZAE000013694  
("Bonatla" or "the company")

**ABRIDGED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	As at 30 June 2010 six months Unaudited R'000	As at 30 June 2009 six months Restated R'000	As at 31 Dec 2009 12 months Audited R'000
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>157 312</b>	199 068	157 596
Property, plant and equipment	24 904	2	24 904
Investment property	20 750	159 900	20 750
Goodwill	4 418	1 150	4 411
Intangible assets	1 286	1	1 286
Prepayments	55 954	38 015	56 245
Deposit	50 000	–	50 000
<b>Current assets</b>	<b>7 455</b>	2 668	3 296
Trade and other receivables	6 842	2 236	2 170
Prepayments – current portion	582	394	582
Cash and cash equivalents	31	38	544
Non-current assets held for sale	14 900	–	14 900
<b>Total assets</b>	<b>179 667</b>	201 736	175 792
<b>EQUITY AND LIABILITIES</b>			
<b>Equity capital and reserves</b>	<b>153 608</b>	174 492	150 577
Share capital	254 570	83 926	250 510
Shares to be issued	–	160 700	1 900
Accumulated loss	(100 962)	(70 134)	(101 833)
<b>Non-current liabilities</b>	<b>20 443</b>	20 389	20 055
Borrowings – long term	19 589	18 744	19 208
Deferred taxation	854	1 645	847
<b>Current liabilities</b>	<b>5 616</b>	6 855	5 160
Current portion of long-term borrowings	3 403	1 240	2 034
Trade and other payables	2 213	5 582	3 126
Taxation	–	33	–
<b>Total equity and liabilities</b>	<b>179 667</b>	201 736	175 792
	<b>cents</b>	cents	cents
<b>Net asset value per share</b>	<b>30,71</b>	36,42	31,45
<b>Net tangible asset value per share</b>	<b>29,57</b>	36,18	30,26
<b>Shares in issue (including to be issued)</b>	<b>500 209 728</b>	479 096 954	478 851 978

**ABRIDGED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	For the six months ended 30 June 2010 Unaudited R'000	For the six months ended 30 June 2009 Restated R'000	For the 12 months ended 31 Dec 2009 Audited R'000
Revenue	6 172	1 065	2 163

## UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2010; CHANGE IN ROLE OF CHIEF OPERATING OFFICER; RENEWAL OF CAUTIONARY ANNOUNCEMENT AND NEW CAUTIONARY ANNOUNCEMENT

**2 Segmental analysis** continued  
**Segmented assets and liabilities** continued

	For the six months ended 30 June 2010 R'000	For the six months ended 30 June 2009 R'000	For the 12 months ended 31 Dec 2009 R'000
<b>Liabilities</b>			
Investment Property – Leisure	–	–	–
Investment Property – Industrial	7 650	8 902	8 017
Investment Property – Commercial and Retail	–	–	–
Holding company	18 409	18 342	17 198
	<b>26 059</b>	27 244	25 215
<b>Segment revenues and results by reportable segment: income statement</b>			
<b>Revenue</b>			
<b>Continuing operations</b>			
Investment Property – Leisure	–	–	–
Investment Property – Industrial	4 672	1 065	2 181
Investment Property – Commercial and Retail	1 500	–	–
Holding company	17	36	36
Total revenue	<b>6 189</b>	1 101	2 217
<b>Results</b>			
Investment Property – Leisure	(291)	(198)	(488)
Investment Property – Industrial	4 339	744	1 241
Investment Property – Commercial and Retail	1 500	–	–
Holding company	(3 244)	(1 685)	(2 939)
Results from operating activities	<b>2 304</b>	(1 139)	(2 186)
Investment revenue	2	17	19
Finance charges	(1 341)	(464)	(909)
Profit/(loss) before taxation	<b>965</b>	(1 586)	(3 076)

The segment information according to IFRS5 does not materially differ from that previously disclosed under IAS14.

**3 Results**

The Group made a profit after tax of R871 000 for the six months ended 30 June 2010. The return to profitability was due to rentals on the Karbotek and the Durban Point acquisitions being in effect from the beginning of the year.

The results were reduced by interest on the CDA loan (R953 000) resuming from 1 January 2010 and the legal as well as Section 311 application costs of R1 100 000 relating to the Bluezone acquisition, which should be finalised during October 2010.

Whilst the company will become entitled to revenue on the Bluezone properties effective from 1 April 2010 once the Court has sanctioned the Bluezone Section 311 orders, no income from these properties has been accounted for in the results for the six months ended 30 June 2010. Shareholders are also referred to paragraph 13 below.

The results for the period ended 30 June 2010 have not been reviewed by Molands Inc. and are unaudited.

**4 Acquisition and disposal of subsidiaries**

- M and P Boating (Pty) Limited was purchased with effect from 1 April 2010 for one hundred rand to house 51% of the CP Tech charcoal and activated carbon business from 1 January 2011.
- Makeover Investments (Pty) Limited was purchased with effect from 1 April 2010 for one hundred rand for the purpose of future acquisitions being housed therein.

There were no disposals during the period under review. Shareholders are also referred to subsequent events below.

	Unaudited R'000	Restated R'000	Audited R'000
Revenue	6 172	1 065	2 163
Other income	17	36	54
Operating costs	(3 885)	(2 240)	(4 403)
<b>Results from operating activities</b>	<b>2 304</b>	<b>(1 139)</b>	<b>(2 186)</b>
Investment revenue	2	17	19
Finance charges	(1 341)	(464)	(909)
<b>Profit/(loss) before taxation</b>	<b>965</b>	<b>(1 586)</b>	<b>(3 076)</b>
Taxation	(94)	(59)	732
<b>Profit/(loss) after taxation</b>	<b>871</b>	<b>(1 645)</b>	<b>(2 344)</b>
	<b>cents</b>	<b>cents</b>	<b>cents</b>
<b>Earnings per share information</b>			
Earnings/(loss) per share	0,18	(0,53)	(0,70)
Diluted earnings/(loss) per share	0,18	(0,53)	(0,70)
Headline earnings/(loss) per share	0,40	(0,53)	(0,70)
Diluted headline earnings/(loss) per share	0,40	(0,53)	(0,70)
Shares in issue for basic and headline earnings per share	488 007 314	310 685 352	332 788 563
Weighted average shares in issue for diluted earnings per share	488 007 314	310 685 352	332 788 563

## ABRIDGED STATEMENTS OF CHANGES IN EQUITY

Group	Share capital R'000	Convertible preference share capital R'000	Share premium R'000	Shares to be issued R'000	Retained earnings/(Accumulated loss) R'000	Total R'000
Balance at 31 December 2008	1 853	287	81 786	46 700	(99 489)	31 137
Shares to be issued				114 000		114 000
(Loss) for the six months					(1 645)	(1 645)
Balance at 30 June 2009	1 853	287	81 786	160 700	(101 134)	143 492
Shares issued	2 708		163 876	(160 700)		5 884
Shares to be issued				1 900		1 900
(Loss) for the remaining six months					(699)	(699)
Balance at 31 December 2009	4 561	287	245 662	1 900	(101 833)	150 577
Shares issued	441		3 619	(1 900)		2 160
Profit for the six months					871	871
<b>Balance at 30 June 2010</b>	<b>5 002</b>	<b>287</b>	<b>249 281</b>	<b>-</b>	<b>(100 962)</b>	<b>153 608</b>

## ABRIDGED CASH FLOW STATEMENTS

	Six months as at 30 June 2010 Unaudited R'000	Six months as at 30 June 2009 Restated R'000	12 months as at 31 Dec 2009 Audited R'000
<b>CASH (OUTFLOWS) FROM OPERATING ACTIVITIES</b>	<b>(2 258)</b>	<b>(210)</b>	<b>(2 667)</b>
<b>CASH (OUTFLOWS)/INFLOWS FROM INVESTING ACTIVITIES</b>	<b>(5)</b>	<b>214</b>	<b>19</b>
<b>CASH INFLOWS/(OUTFLOWS) FROM FINANCING ACTIVITIES</b>	<b>1 750</b>	<b>(143)</b>	<b>3 015</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(513)</b>	<b>(139)</b>	<b>367</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>544</b>	<b>177</b>	<b>177</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>31</b>	<b>38</b>	<b>544</b>

- Takeover Investments (Pty) Limited was purchased with effect from 1 April 2010 for one hundred rand for the purpose of future acquisitions being housed therein.

There were no disposals during the period under review. Shareholders are also referred to subsequent events below.

### 5 Share capital

Reconciliation of shares issued at 30 June 2010.

Shares issued – 31 December 2009	Number of shares
Shares issued in 2010	456 101 978
Shares issued for cash	22 750 000
Shares issued for the settlement of liabilities	21 357 750
<b>Total shares issued at 30 June 2010</b>	<b>500 209 728</b>

### 6 Borrowings

Total borrowings increased by R1 750 000 from R22 089 000 (31 December 2009) to R22 992 000 (30 June 2010).

These increased borrowings were used mainly to finance the legal and Section 311 application costs relating to the acquisition of the nine Bluezone property companies.

### 7 Post balance sheet events

The Court sanction date for the approval of the Section 311 meetings relating to the acquisition of the nine Bluezone property companies, will take place on the 20 October 2010.

### 8 Reconciliation of headline profit/(loss) per share

	For the six months ended 30 June 2010 R'000	For the six months ended 30 June 2009 R'000	For the 12 months ended 31 Dec 2009 R'000
Profit/(loss) after taxation	871	(1 645)	(2 344)
Abnormal expenses – Section 311 costs and legal fees	1 100	-	-
<b>Headline profit/(loss) after taxation</b>	<b>1 971</b>	<b>(1 645)</b>	<b>(2 344)</b>

### 9 Dividends

No dividends were declared during the period.

### 10 Management of the group

There are no appointed asset managers and this function has been managed by the company during the period under review.

### 11 Board of Directors

Mr DA Scott Re-elected as director on 29 June 2010 in terms of Article 91 of the Articles.  
Mr DWB King Re-elected as director on 29 June 2010 in terms of Article 91 of the Articles.  
Mr DA Johnston Resigned on 28 April 2010

Mr RL Rainier  
Mr NG Vontas  
Mr MH Brodie  
Mr SST Ngcobo

Mr DWB King has resigned on 30 September 2010 as the Chief Operating Officer, but will continue as a non-executive director.

### 12 Future prospects

The impact of the acquisitions made towards the end of last year will show the full effect during the current year as already demonstrated in the first half of the year. In addition, the company expects to be able to consolidate the profits from the nine Bluezone properties subject to the determination of the effective date of control. However, the acquisition will serve to increase the annuity revenue of the group going forward.

### 13 Renewal of cautionary announcement, update on previously announced acquisitions and the new cautionary announcement

Shareholders are referred to the previous cautionary announcements dated 10 March 2010, 14 April 2010, 28 May 2010, 12 July 2010, 23 August 2010 and 30 August 2010 respectively and are advised that certain negotiations referred to therein are still in progress. An update on these previously announced acquisitions is set out below.

On 20 October 2010, the court will hear the application to sanction the Section 311 orders in relation to the Bluezone properties and Bonatla will then take effective control of these nine property companies.

The financial effects of these acquisitions, together with the Kimberley Hub, Ruitersvlei and the Illovo acquisitions, will be announced on SENS and in the press and will be included in a circular, which will be distributed to the shareholders for their approval.

No net rental income from the acquisition of the nine Bluezone property companies has been taken into account, but this is expected to start from November 2010 when the Court sanctions the Section 311 meetings and Bonatla takes control of these nine property companies. In terms of the acquisitions, the rental income, associated costs and net cash received accrues to Bonatla from 1 April 2010. Whilst a circular to shareholders is being prepared to approve the acquisitions of the various Bluezone properties, irrevocable undertakings in excess of 60% are in place to vote in favour of these acquisitions.

<b>AT BEGINNING OF THE YEAR</b>	<b>544</b>	177	177
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>31</b>	38	544

## COMMENTARY

### 1 Basis of preparation

The unaudited interim results for the six months ended 30 June 2010 (prepared in accordance with IAS 34 – Interim Financial Reporting) have been prepared in accordance with accounting policies consistent with International Financial Reporting Standards and with those applied in previous periods.

The comparative figures as at 30 June 2009 have been restated in order to reflect consistent accounting treatment as adopted in the audited financial statements of the company for the year ended 31 December 2009 resulting from Bonatla subsequently purchasing the shares and loan accounts in Carbon Processing and Technologies (Pty) Limited and VLC Commercial and Industrial Properties (Pty) Limited as opposed to the individual properties.

### 2 Segmental analysis

#### Segmented assets and liabilities

<b>Assets</b>	<b>For the six months ended 30 June 2010 R'000</b>	<b>For the six months ended 30 June 2009 R'000</b>	<b>For the 12 months ended 31 Dec 2009 R'000</b>
Investment Property – Leisure	56 536	38 409	56 818
Investment Property – Industrial	62 283	60 858	66 032
Investment Property – Commercial and Retail Holding company	50 000 10 848	100 000 2 469	50 000 2 942
<b>Consolidated</b>	<b>179 667</b>	<b>201 736</b>	<b>175 792</b>

takes control of these nine property companies. In terms of the acquisitions, the rental income, associated costs and net cash received accrues to Bonatla from 1 April 2010. Whilst a circular to shareholders is being prepared to approve the acquisitions of the various Bluezone properties, irrevocable undertakings in excess of 60% are in place to vote in favour of these acquisitions.

The Mhinga and the Selby transactions have all been cancelled.

In addition, shareholders are advised that the company has also entered into other negotiations for, *inter alia*, the introduction of a BEE shareholder into the group and other associated transactions.

Shareholders are accordingly advised to continue to exercise caution when dealing in their securities.

30 September 2010

Johannesburg

#### Directors:

MH Brodie#\* (Chairman), SST Ngcobo#  
DA Scott (Financial Director), DWB King, (CF de Lange – alternate)  
RL Rainier, NG Vontas (Chief Executive Officer)  
#Non-executive, \*Independent

#### Registered address:

623 Prince George Avenue, Brenthurst, Brakpan, 1541

#### Company Secretary:

Gold Equity Registrars C.C.

#### Transfer Secretaries:

Computershare Investor Services (Pty) Limited

#### Auditors:

Nolands Inc.

#### Sponsors:

Arcay Moela Sponsors (Pty) Limited