

MALAWI PROPERTY INVESTMENT COMPANY LIMITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

	GROUP 31/Dec/09 K,000	31/Dec/08 K,000	COMPANY 31/Dec/09 K,000	31/Dec/08 K,000		GROUP 31/Dec/09 K,000	31/Dec/08 K,000	COMPANY 31/Dec/09 K,000	31/Dec/08 K,000
STATEMENT OF COMPREHENSIVE INCOME					STATEMENT OF CHANGES IN EQUITY				
Rental Income	874,882	747,385	402,307	347,546	At the beginning of the year	4,863,613	4,122,632	2,666,776	2,221,344
Increase in fair value of investment properties	953,632	1,120,635	487,818	772,161					
Other income	124,731	98,522	400,391	227,647	Distributable profit for the year	393,730	270,938	349,742	135,555
Total income	1,953,245	1,966,542	1,290,516	1,347,354	Non-distributable profit for the year	692,228	735,498	338,268	539,682
Total expenditure	(427,654)	(385,103)	(367,870)	(314,888)	Dividend declared - Final 2007	(97,647)	(167,198)	(80,432)	(149,373)
Profit before taxation	1,525,591	1,581,439	922,646	1,032,466	Dividend declared - Interim 2008	(104,707)	(98,257)	(80,432)	(80,432)
Taxation	(439,633)	(575,002)	(234,636)	(357,229)					
Profit after taxation	1,085,958	1,006,437	688,010	675,237					
Distributable reserves	343,942	222,184	349,742	135,555	STATEMENT OF CASH FLOWS				
Non-distributable reserves	589,836	679,209	338,268	539,682	Cash flows from operating activities				
Amount attributable to members of the company	933,778	901,393	688,010	675,237	Net cash inflow	774,435	321,650	389,135	154,943
Amount attributable to minority interest	152,180	105,044			Return on investment and servicing of finance				
	1,085,958	1,006,437	688,010	675,237	Dividend received	-	-	166,510	124,350
Basic earnings per share (MK)	0.81	0.78			Interest received	75,916	65,110	24,989	27,335
Analysed as:					Interest paid	(2,990)	(6,832)	(2,832)	(6,497)
-Distributable (MK)	0.30	0.19			Dividend paid to outside shareholders	(41,490)	(35,650)	-	-
-Non-distributable (MK)	0.51	0.59			Dividend paid to shareholders, including tax	(160,864)	(229,805)	(160,864)	(229,805)
Number of shares used for calculation	1,149,023,730	1,149,023,730			Net cash flow from returns on investment and servicing of finance	(129,428)	(207,177)	27,803	(84,617)
					Taxation paid	(261,893)	(60,270)	(258,671)	(56,149)
STATEMENT OF FINANCIAL POSITION					Net cash flow (used in) from operating activities	383,114	54,203	158,267	14,177
EQUITY AND LIABILITIES									
SHAREHOLDERS' EQUITY					Purchase of property, plant and equipment and additions to investment properties	(154,799)	(49,496)	(129,250)	(24,492)
Ordinary share capital	57,451	57,451	57,451	57,451	Proceeds on disposal of property, plant and equipment and investment properties	-	1,359	-	1,359
Distributable reserves	835,534	652,456	535,986	347,108	Movement in Nyumba Yanu receivable	23,173	69,052	-	-
Non-distributable reserves	4,140,223	3,550,387	2,600,485	2,262,217	Staff long-term loan movements	(2,580)	(945)	(2,580)	(945)
EQUITY ATTRIBUTABLE TO HOLDERS OF PARENT COMPANY	5,033,208	4,260,294	3,193,922	2,666,776	Net cash used in investing activities	(134,206)	19,970	(131,830)	(24,078)
Minority interest	714,009	603,319	-	-	Net cash flow before financing activities	248,908	74,173	26,437	(9,901)
TOTAL EQUITY	5,747,217	4,863,613	3,193,922	2,666,776	Cash flow from financing activities				
Non-current liabilities	2,138,478	1,837,336	1,155,172	972,786	Intercompany loan movement	-	-	-	34,860
Current liabilities	320,515	189,436	114,442	128,159	NET CASH FLOW FOR THE YEAR	248,908	74,173	26,437	24,959
Bank overdraft	5,751	-	5,501		Cash and cash equivalents at the beginning of the year	148,721	74,548	47,963	23,004
TOTAL LIABILITIES	2,464,744	2,026,772	1,275,115	1,100,945	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	397,629	148,721	74,400	47,963
TOTAL EQUITY AND LIABILITIES	8,211,961	6,890,385	4,469,037	3,767,721					
ASSETS					Review of the results				
NON-CURRENT ASSETS					The Board is pleased to announce results for the year ended 31 December 2009. The group profit before fair value adjustment and tax is K572 million (2008: K461 million) representing an increase of 24% over previous year. The overall group profit before tax but including fair value adjustment is K1.5 billion (2008: K1.6 billion).				
Investment properties	7,379,204	6,336,287	3,977,727	3,428,395	Outlook				
Other assets	211,843	166,183	219,893	164,625	We anticipate continued real growth in our rental income as demand for office space continues to grow. The feasibility study for the shopping mall in Lilongwe has been completed and the raising of funds for this project is at an advanced stage.				
Total long term assets	7,591,047	6,502,470	4,197,620	3,593,020	Dividend				
CURRENT ASSETS					The Board declared an interim dividend of K80.4 million representing 7 tambala per share which was paid on 16th October, 2009. The recommendation of the Board to the Annual General Meeting is that a final dividend of K103.4 million representing 9 tambala per share be declared. The total dividend for 2009 will be K183.8 million, representing 16 tambala per share (2008: K160.8 million, representing 14 tambala per share).				
Receivables	217,534	239,194	191,516	126,738	Auditor's Report to the members of Malawi Property Investment Company Limited				
Funds at call and on deposit	396,308	104,673	75,892	23,483	We have audited the financial statements and the consolidated financial statements of Malawi Property Investment Company Limited for the year ended 31 December 2009, from which the summarized financial statements were derived, in accordance with International Standards on Auditing. In our report dated 21 January 2010 we expressed an unqualified opinion on the financial statements from which the summarized financial statements were derived.				
Cash and bank balances	7,072	44,048	4,009	24,480	In our opinion the accompanying summarised financial statements are consistent, in all material respects, with the financial statements from which they were derived.				
Total current assets	620,914	387,915	271,417	174,701	For a better understanding of the group's and company's financial position and the results of their operations for the year and the scope of our audit, the summarised financial statements should be read in conjunction with the financial statements from which the summarised financial statements were derived and our audit report thereon.				
TOTAL ASSETS	8,211,961	6,890,385	4,469,037	3,767,721	By order of the board.				

Dye Mawindo

Gray Nthinda