UNAUDITED RESULTS FOR THE SIX MONTHS PERIOD ENDED 31 AUGUST 2009

CHOBE HOLDINGS LIMITED
("Chobe Holdings" or "the Company")
Incorporated in the Republic of Botswana (Registration Number Co. 45431)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

6 months ended 31/08/2009 6 months ended 31/08/2008 12 months ended 31/08/2009
P'000's Unaudited Unaudited Unaudited Audited
Revenue 56.309 72.464 124.618
Amortisation of intangible assets (2.861) (4.839) (5.622) -
Depreciation (25.790) (50.815) (61.316) -
Other operating expenses (33.360) (80.074) (72.000) -
Other income 1.468 7.148 3.114 -
Operating profit 18.004 27.252 41.704 -
Write-off of goodwill - - - (39.314)
Disposal gain on investment in subsidiary 1.059 - - -
Finance income 2.030 1.765 2.416 -
Finance cost (4.522) (4.101) (7.212) -
Net income before share of results of associates 20.639 28.830 15.064 -
Share of results of associate 4.604 - 5.085 -
P'000
Profit for the period before income tax (1.752) (3.041) (1.159) -
Income tax (1.752) (1.752) (1.159) -
Profit for the period 17.910 27.228 15.565 -
Currency translation reserve (493) (165) 76 -
Other comprehensive income/(loss) (493) (165) 76 -
Total comprehensive income for the period 17.417 25.558 15.565 -
As an attributable to:
Controlling interest 18.108 23.585 6.318 -
Non controlling interest (691) (27) (91) -
17.417 23.558 6.467 -
Earnings per share (thebe) - basic 19.61 20.52 7.39 -
Dividend per share (thebe) - - - (11.20)
Weighted number of shares in issue during the period 89.439 642 84.750 011 87.002 915
Number of bed nights sold 18.918 26.821 47.932 -
Occupancy ratio 36% 53% 64% -

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31/08/2009 As at 31/08/2008 As at 31/08/2009 As at 31/08/2008
P'000's Unaudited Unaudited Unaudited Audited
ASSETS
Non-current assets
Property, plant and equipment 69.104 69.978 67.801 -
Goodwill - 13.963 - 13.963 -
Land lease rights - 16.890 - 16.890 -
Investment in associate 3.952 3.333 3.280 -
122.041 163.922 122.918 -
Current assets
Inventory 2.794 3.765 2.660 -
Trade and other receivables 41.473 29.259 8.777 -
Current income tax - 10.000 - -
Cash and cash equivalents 25.025 27.489 28.540 -
39.182 40.437 40.321 -
Total assets 161.225 204.460 163.059 -
EQUITY AND LIABILITIES
Equity
Statutory capital 102.899 102.899 102.899 -
Foreign currency translation reserve (12.718) (16.360) -
Fair value reserve (19.280) (20.534) -
Minority interest 10.181 13.801 12.416 -
125.263 153.728 126.668 -
Liabilities
Non-current liabilities
Borrowings - - - -
17.599 22.213 17.435 -
Current liabilities
Trade and other payables 3.304 2.194 4.929 -
Current income tax 14.125 19.188 14.137 -
Bank overdraft 74 1.199 1133 -
18.554 23.554 19.049 -
Total liabilities 36.569 50.771 36.699 -
Total equity and liabilities 161.225 204.460 163.059 -

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

6 months ended 31/08/2009 6 months ended 31/08/2008 12 months ended 31/08/2009
P'000's Unaudited Unaudited Unaudited Audited
Operating activities
Cash generated from operations 24.772 36.577 50.251 -
Interest paid (464) (163) (722) -
Income tax paid (1.177) (7.095) (12.786) -
Cash generated from operating activities 23.131 28.722 37.753 -
Investing activities
Purchase of property, plant and equipment (3.180) (18.370) (21.847) -
Proceeds on sale of property, plant and equipment 803 118 775 -
Movement in loan to associate 247 - 16 -
Cash paid for redemption of shares in subsidiary (246) - - -
Net cash used in operating activities (3.180) (18.370) (21.847) -
Financing activities
Net repayment of (proceeds from) borrowings (3.180) 2.166 (1.914) -
Dividends paid to minority shareholders (88) (88) (88) -
Net cash used in financing activities (3.180) (1.304) (16.793) -
Movements in cash, cash equivalents and bank overdrafts
At beginning of period 28.541 25.518 25.518 -
Arising through acquisition of K & Doney Botswana (Pty) Ltd (Increase) (2.541) (2.541) -
At end of period 26.000 23.977 23.977 -
Cash generated by operations (3.180) (18.370) (21.847) -
Net increase in cash and cash equivalents (3.180) (18.370) (21.847) -

COMMENTARY

While conditions will remain challenging in the near future, your directors remain confident that the excellent international reputations of our Desert and Delta Safaris, coupled with the relaxation of travel restrictions, will enable your Group to take full advantage of the anticipated economic upturn in the tourism sector.

While your directors regard this period to be a time of consolidation after fairly rapid expansion, tight financial discipline has ensured that the Group has maintained strong cash resources, which may now be applied in part, if further expansion opportunities within the Group's preferred focus

FINANCIAL HIGHLIGHTS

The unusual and adverse financial statements for the half year ended 31 August 2009 have been prepared based on accounting policies which comply with International Financial Reporting Standards ("IFRS"). Except as described below, the following financial statements have been prepared with the same accounting policies and using the same definitions of accounting terms as in the previous year.

The following new amendments to standards is mandatory for the first time for the financial year beginning 1 January 2009:

"IFRS 1.1): Presentation of financial statements": The revised standard specifies the presentation of items of income and expenses that is "non-changer changes in equity" in the statement of changes in equity, requiring "non-changer changes in equity" to be presented separately from other changes in equity. All "non-changer changes in equity" are required to be shown in a performance presentation statement that identifies the performance measures required for the purpose of "non-changer changes in equity" presentation. The Group has elected to present a statement of comprehensive income as the only financial statements have been prepared under the revised disclosure requirements.

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FINANCIAL RESULTS

The six months under review coincided with perhaps the worst of the economic downturn. As anticipated, this adversely affected occupancy rates, especially when compared with the corresponding period last year which benefited from the strong growth in tourism driven by the global economic boom at that time. Despite the above difficulties the authorities did their best to assure that the Group's operating units, particularly those based in the Okavango, Maji Moto Game Reserve and at Taukana have continued to operate relatively strongly. These units have continued to yield encouraging revenues on the back of rising costs control despite the world economic conditions.

The unprecedented growth in demand for tourist travel has been matched by a reduction in the availability of available tourist travel. Indeed this has resulted in the retesting of the remaining one marketing unit still based in South Africa in terms of Botswana in an effort to reduce costs and enhance marketing/operational synergies.

FUTURE OUTLOOK

While conditions will remain challenging in the near future, your directors remain confident that the excellent international reputations of our Desert and Delta Safaris, coupled with the relaxation of travel restrictions, will enable your Group to take full advantage of the anticipated economic upturn in the tourism sector.

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INCOME TAX EXPENSE

The director wishes to bring to the notice of shareholders that there are certain amounts of unclaimed dividends in the Group's subsidiaries. Shareholders are reminded to contact the Transfer Agents to claim their outstanding dividends.

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